

**COMMISSION FOR COMMON-INTEREST COMMUNITIES AND
CONDOMINIUM HOTELS MEETING MINUTES DECEMBER 9, 2025**

**VIA IN PERSON AND TEAMS VIRTUAL MEETING
DECEMBER 9, 2025**

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

VIDEO CONFERENCE TO:
Nevada Division of Insurance
1818 College Parkway
Suite 103
Carson City, Nevada 89706

1) COMMISSION/DIVISION BUSINESS:

A) Call to Order; Introduction of Commissioners in Attendance; and Establish Quorum

Chairman Tomasso called the meeting to order at 9:02 A.M.

Chairman Tomasso led in the Pledge of Allegiance.

Introduction of Commissioners in attendance: Phyllis Tomasso, June Heydarian, Kim Lighthart, Robert “Bob” Sweetin, Kyle Tibbitts, Sara Gilliam, and Patricia Morse Jarman. A quorum was established.

Commission Counsel: Rosalie Bordelove, Chief Deputy Attorney General and Stephanie Itkin-Goodman Deputy Attorney General was present.

B) Swearing In of Re-Appointed Commissioners

Chairman Tomasso swore in Commissioner Heydarian and Commissioner Lighthart.

C) Introduction of Division Staff in Attendance

Sharath Chandra, Administrator; Charvez Foger, Deputy Administrator; Sonya Meriweather, Ombudsman; Shareece Bates, Administration Section Manager; Terry Wheaton, Chief Compliance Audit Investigator; Robert Towle, Compliance Audit Investigator; Maria Gallo, Commission Coordinator; Amy Reveyrand, Commission Coordinator; Phil Su, Senior Deputy Attorney General; and Christal Keegan, Senior Deputy Attorney was present.

2) Public Comment

Mike Kosor expressed confusion regarding the public comment process. Mr. Kosor asked whether there would be a separate public comment opportunity specific to the workshop.

Chairman Tomasso explained each section of the workshop would be read individually, with public comment opened after each section. Chairman Tomasso added public comment would also be taken at the conclusion of the workshop, allowing comments on the workshop as a whole.

Mr. Kosor expressed appreciation for the clarification.

Mr. Kosor stated he is a long-time participant, a resident of an HOA, and the founder of the Nevada HOA Reform Coalition. Mr. Kosor raised concerns regarding the legality and appropriateness of conducting the workshop, stating NRS 233B requires agencies to have regulations governing how workshops are conducted, and he was unable to locate such regulations. Mr. Kosor questioned how the workshop could proceed without those regulations in place, noting some agenda items appeared to go beyond the initial step of adopting regulations.

Mr. Kosor also noted he had submitted approximately twelve petitions beginning in June or July, which were included in the meeting materials but not listed on the agenda. Mr. Kosor questioned why the petitions were included in the packet if they were not agendaized and whether they could be heard. Mr. Kosor concluded by stating he would reserve further comments about the substance of the workshop, should the Commission determine whether it was appropriate to proceed.

3) REGULATION WORKSHOP FOR PROPOSED CHANGES TO NAC 116 AND NAC 116A ON DECEMBER 9, 2025 @ 9:00 AM:

Section 1

Shareece Bates read Section 1 into the record.

No public comment.

Section 2

Shareece Bates read Section 2 into the record.

Leah Wickline, Community Manager, asked for clarification on the language in *section 2 (b)*, and asked whether the \$10,000 maximum is per occurrence or cumulative for a Health and Safety Violation.

Greg Kerr, Attorney with Wolf, Rifkin, Shapiro, Schulman & Rabkin, LLP and a member of the CAI-LAC stated concerns with subsection 3 of Section 2. Mr. Kerr stated that recommendations had been submitted during the previous discussions of Health and Safety and he would provide additional comments after the workshop. Mr. Kerr stated that oftentimes associations are faced with situations where they have to address language that becomes threatening or involves threatening behavior. Mr. Kerr stated that language to address threatening activity would be beneficial to enforcement by an association. Mr. Kerr also recommended that the regulation address destruction of property, whether private or communal, as a potential health and safety violation. Mr. Kerr stated that there have been increased attacks on a person's race, ethnicity, religion and sometimes gender, and therefore language should be added to address those situations as well.

Mike Kosor, stated that the Commission is tasked with defining health and safety. Mr. Kosor questioned how a board distinguishes a health and safety violation from other statutory language already in existence. Mr. Kosor stated there are civil and municipal codes that address these

types of situations. Mr. Kosor questioned whether it is appropriate that a body of volunteers on board have the authority to impose fines up to \$10,000.00. Mr. Kosor reminded the Commission that in 2005, the legislature decided it was necessary to have the language in regulation, and in 2021 the authority was granted to the Commission. Mr. Kosor referenced SB 72 from the 2021 legislation that requires the commission to establish the criteria used to determine whether a violation rises to the level of a health and safety violation. Mr. Kosor stated the proposed language as written does not establish clear criteria. Mr. Kosor later added that the legislature has repeatedly declined to advance legislation that addresses the conduct of people. Mr. Kosor stated that adding language related to bullying in regulation appears to be a back door way of addressing an issue that has been rejected by the legislature.

Section 3

Shareece Bates read Section 3 into the record.

Mike Kosor stated the language and meaning of the section are unclear and therefore he cannot provide comment. Mr. Kosor stated that a rewrite of the section would be helpful to understand the meaning of the proposed language.

Section 4

Shareece Bates read Section 4 into the record.

Mike Kosor stated his objection to the current actions happening during the workshop, stating it does not comply with the statutes. Mr. Kosor stated the language doesn't provide any guidance; it only reflects language already in NRS 233B. Mr. Kosor stated the proposed language does not provide instructions or direction on the rules of the workshop.

Phil Su, Senior Deputy Attorney General, cited NRS 233B.040, which establishes the authority of an agency to initiate the rulemaking process. Mr. Su added that the current workshop is in compliance with the statute, because in order for a regulation to be adopted, it must first be workshopped, and the public must be allowed to comment on the language.

Section 5

Shareece Bates read Section 5 into the record.

Mike Kosor restated his objection to the proceedings of the workshop. Mr. Kosor responded to Mr. Su's comments, stating the statute gives the authority of the Commission to develop the rules, regulations and procedures to conduct a workshop. Mr. Kosor stated the failure to have the rules in place, does not afford the Commission the authority to conduct the workshop.

Section 6

Shareece Bates read Section 6 into the record.

No public comment.

Section 7

Shareece Bates read Section 7 into the record.

No public comment.

Section 8

Shareece Bates read Section 8 into the record.

No public comment.

Section 9

Shareece Bates read Section 9 into the record.

Leah Wickline asked that the time for the community manager to acknowledge receipt of the complaint be extended to 15 days to allow enough time for research and response.

Sections 1-9

Mike Kosor questioned if the workshop is going to continue under unknown procedures, he asked the status of his twelve petitions, that are included in the Commissioner's packets, but were not denied by the agency, nor listed on the agenda. Mr. Kosor stated his petitions include topics such as the definition of a meeting, defining whether virtual-only meetings are permissible, rulemaking regarding email approvals, board candidate access to emails, confidentiality, bidding and declarant control. Mr. Kosor stated the legislature has repeatedly rejected efforts by individuals to regulate behavior, and he believes that some of the proposed language intends to do just that.

Jan Porter, Supervising Community Manager and board member, addressed language that is not included in the regulation as presented. Ms. Porter stated that AB309, passed in the 2023 legislature, directs the Commission to adopt regulation regarding the transfer of association records between management companies. Ms. Porter stated there are issues that arise from a lack of determination regarding the separation event and whether it's the termination and assignment of the new manager. Ms. Porter stated the law currently reads that records must be transferred within 30 days, which can be problematic for financial reconciliations, for example.

The public workshop portion of the hearing was closed at 10:02 A.M.

Commissioner Discussion and Deliberation – Workshop

Sharath Chandra suggested to the Commissioners that it may be best to deliberate after each section, and the Division can also provide any clarification or explanation of the proposed language as needed.

Commissioner Sweetin thanked the Division staff for the work in facilitating the workshop and thanked the public for their public comments. Commissioner Sweetin stated regulation writing can be a difficult process, and he appreciates the work accomplished by the Division staff in giving the Commission a good starting point to discuss.

Section 2

Chairman Tomasso expressed concern that the proposed language does not define health, safety and welfare. Chairman Tomasso stated that many associations use health, safety and welfare violations as a source of revenue. Chair Tomasso stated that regulations should not be adopted if they don't clarify terms, especially those as significant as this language. Chair Tomasso opined that the first order of the regulation should be to define health and safety, while also referencing provisions already in other statutes. Chair Tomasso also cautioned the Commissioners of adopting regulations that may be a detriment to volunteer board members, who may not be well versed in the law. Chair Tomasso stated that leaving the language open that anything not mentioned in the regulation can be considered a violation is cause for concern. Chair Tomasso reiterated that there is still a lot of work to be done to the language.

Mr. Chandra stated that in discussions with the legislature regarding the passage of SB72, there was concern about the potential for foreclosure as a result of a health and safety violation. Mr. Chandra stated that the Division's position before the legislature was that the Commission was the appropriate body to debate the language and with the Division's assistance, provide proposed language. Mr. Chandra stated that the first iteration of the language introduced in 2022 received a lot of public comment and there was vigorous discussion by the Commission. Mr. Chandra stated that that draft was eventually removed from the language to allow for further research and feedback. Mr. Chandra stated that the Division also wanted to ensure that the term nuisance was addressed in the regulation to ensure there was a balance between the types of violations imposed. Mr. Chandra stated the Division wanted to ensure there was a cap to the amount to be imposed, based on feedback from previous workshops.

Chair Tomasso gave examples of health and safety violations. Chair Tomasso stated there is a clear need for clarity in the language.

Commissioner Morse Jarman stated her objection for any fines that an association can levy against a homeowner that may lead to foreclosure. Commissioner Morse Jarman stated associations should also be relying on local and county jurisdictions for application of severe penalties and fines.

Commissioner Gilliam stated the importance of associations having discretion to impose health and safety violations, especially in egregious situations. Commissioner Gilliam cautioned against language that is too difficult, as it may actually hinder an association's ability to enforce the governing documents. Commissioner Gilliam stated she would not be in favor of language that lists out the specific violations to only be considered as health and safety. Commissioner Gilliam stated she is interested to see more public comment regarding property damage as referenced by Mr. Kerr.

Commissioner Tibbetts stated the language is difficult to define but it may be problematic if the language is too broad.

Mr. Chandra reminded the Commissioners that there is currently no language to identify health and safety violations. Mr. Chandra stated there will be other iterations of the language and this is just the first draft.

Commissioner Gilliam stated that she had not seen a health and safety violation imposed as much as \$10,000.00 but the fine amount must be commensurate with the violation. Commissioner Gilliam stated that oftentimes a health and safety violation is a plea by the association to get a homeowner into compliance for severe violations.

Commissioner Lighthart asked that the language be clear so that homeowners understand their rights when a health and safety violation is imposed.

Commissioner Heydarian stated that in consideration of health and safety, an association must first determine that there is a violation. Commissioner Heydarian stated she is not a fan of excluding nuisance because sometimes a violation is not explicitly stated in governing documents, but it may be applicable. Commissioner Heydarian also stated that homeowners have an expectation that their boards enforce the governing documents and having a better understanding of what poses an imminent threat is helpful. Commissioner Heydarian stated that threats and bad behavior have increased and boards should always consult with their management company and/or counsel for imposition of such fines. Commissioner Heydarian reiterated that the intent is to gain compliance and when a violation is cured, the board should take appropriate action to acknowledge compliance. Commissioner Heydarian also stressed that the imposition of health and safety violations are not day to day occurrences and consultation with legal counsel is essential. Commissioner Heydarian also stated that language such as the anti-bullying resolutions support a board's ability to enforce its rules.

Section 3

No Commissioner comment.

Section 4

Commissioner Lighthart suggested that there be a timeframe for when the Commission would consider a petition for regulatory changes.

Mr. Chandra stated that there could be language added to provide a framework of time, the intent was to put together regulations for a process. Mr. Chandra explained that regulatory workshops occur in between legislative sessions. Mr. Chandra stated the petition language is already in 233B, and when a petition is received by the Division, the request is provided to the Commission for review and determination on whether the language should be included in draft regulations. Mr. Chandra explained that should the Commission determine that further review of the petition is needed, the item will be placed on the agenda for discussion. Mr. Chandra explained to the Commission that proposed language must also be passed through LCB and ultimately the Legislative Committee for approval, so his recommendation is to ensure the language is clear.

Commissioner Tibbetts asked for clarification on the Division's process for denial of a petition.

Mr. Chandra stated that a petition is not normally denied by the Administrator but provided to the Commission for review and determination. Mr. Chandra stated if the Commission chooses to have a further review, the petition will be placed on the agenda and Division will provide further context on the language.

Section 5

No Commissioner comment.

Sections 6-7

Commissioner Heydarian asked whether language would be included to state that a camera must be on during a virtual class.

Mr. Chandra stated that there was some guidance to language, but because there may be situations where a camera may need to be off for a short time, the language allows that determination to be made from an administrative perspective. Mr. Chandra stated the intent of the language was to ensure that classes could be taught utilizing in-person and hybrid methods of learning.

Section 8

Commissioner Heydarian asked the intent of the changes for Section 8.

Mr. Chandra explained that regulation was previously approved but not yet codified and this language is meant to clarify. Mr. Chandra stated that the Licensing section requires that the person being issued a certificate has to be associated with the organization offering them employment and this language is meant to clarify that point. Mr. Chandra read a comment from the Division's Licensing Manager about the purpose of the change.

Commissioner Heydarian agreed with the proposed change to ensure that temporary certificate holders receive training, experience and education with one employer during their year. Commissioner Heydarian stated that oftentimes temporary certificate holders are not from Nevada, and the 60-hour course is an essential component with their on-the-job learning.

Section 9

Commissioner Heydarian asked whether it is necessary for the regulation to define the term misconduct in subsection 1. Commissioner Heydarian stated that homeowners may sometimes feel that there is misconduct by a community manager but in fact, the actions may not be.

Mr. Chandra stated the language is intended to address situations where community managers are required to respond to allegations within 12 days, even though the allegations were not actually against the community manager. Mr. Chandra stated the regulation would allow the community manager additional time to address matters intended for the board.

Commissioner Heydarian asked how notification of a complaint would be provided to the community manager as referenced in subsection 3 (a), if the language does not specify the form.

Mr. Chandra stated that the old language stated a summary would be provided, but the change is that the intent is to clarify that the community manager would be notified when a complaint was received and being reviewed by the Division.

Commissioner Gilliam agreed with the comments previously made by Ms. Wickline, to increase the response time beyond the 12 working days. Commissioner Gilliam stated that consideration

should be given to the manager's workload, amount of research and/or document retrieval can increase the response time.

Mr. Chandra stated the goal was to maintain consistency with 12 days that are written in several provision of regulation, but the Division will review the language.

There were no other Commissioner comments.

The Commissioner deliberation portion of the Workshop was closed at 11:25am.

Minutes prepared by: _____
Shareece Bates
Administration Section Manager

4) FOR POSSIBLE ACTION: DISCUSSION AND DECISION REGARDING RESPONDENT'S PETITION TO SET ASIDE HIS STIPULATION AND ORDER FOR SETTLEMENT OF DISCIPLINARY ACTION:

A) NRED v. John Bielun, for possible action
Case Nos. 2023-622 & 2023-670
Type of Respondent: Board Member

B) NRED v. John Bielun, for possible action
Case No. 2023-979
Type of Respondent: Board Member

Parties Present

Phil Su, Senior Deputy Attorney General, was present representing the Division
John Bielun, Respondent, was present

Preliminary Matters

Mr. Su stated the Respondent submitted a one-sentence email stating he was seeking to vacate his petition.

Mr. Bielun stated he had documents to pass out.

Mr. Su objected to any substantive documents being presented, because Mr. Bielun's petition is for a procedural hearing to determine whether the Commission agrees to set aside his settlement agreements.

Chairman Tomasso explained the Commission would consider whether to vacate the settlement agreements and proceed to a hearing, noting any hearing would occur at a later date. Chairman Tomasso asked Mr. Bielun to explain the reasons for requesting to vacate the settlement, including any concerns regarding due process or the opportunity to fully present his cases. Chairman Tomasso noted the matter presented an unusual situation and stated comments should focus on why the settlement was unclear or why restarting the process was being requested.

Ms. Bordelove explained the procedural nature of the request to vacate the settlement agreement and the potential outcomes. Ms. Bordelove stated the settlement agreement functions as a contract in which a hearing was waived. Ms. Bordelove explained, if the Commission chooses to set aside the settlement agreement, the matter will proceed to a hearing at a later date.

Ms. Bordelove stated, at such hearing, the Division would present the original case and all related evidence as if the settlement agreement had never occurred. Ms. Bordelove stated Mr. Bielun would have the opportunity to present evidence and a defense. Ms. Bordelove further explained that following the hearing, the Commission would determine whether the alleged violations were proven and noted potential outcomes could include dismissal of the matter or the imposition of penalties that may exceed those contained in the existing settlement agreement.

Ms. Bordelove emphasized the Commission is not required to set aside the settlement agreement and explained the purpose of the discussion was for Mr. Bielun to explain the reasons for requesting action. Ms. Bordelove clarified setting aside the settlement agreement would not dismiss the case but would return the matter to the posture of the original complaint for hearing.

Mr. Bielun explained the law firm he previously retained for representation advised him that a favorable outcome was unlikely, leading Mr. Bielun to pursue a settlement. Mr. Bielun stated, at the time of the settlement, the agreement appeared to be the only viable option. Mr. Bielun further stated, after observing Commission proceedings, Mr. Bielun came to believe the Commission conducts fair and accountable adjudications. Mr. Bielun stated this realization occurred after the settlement had already been signed and after representation by prior counsel had ended. Mr. Bielun explained that he is now appearing without counsel and is defending the matter personally.

Mr. Su stated the signed settlement stipulations include standard provisions confirming the Respondent knowingly and voluntarily waived the right to a hearing, the right to present evidence, the right to a written decision on the merits, and rights to reconsideration, rehearing, appeal, and judicial review under applicable Nevada statutes, regulations, and constitutional provisions. Mr. Su referenced specific provisions of the stipulations, including language addressing withdrawal of a stipulation if rejected by the Commission and language confirming the Respondent signed the stipulations only after reading and understanding all terms.

Mr. Su stated the settlement stipulations function as binding contracts and noted the Respondent was represented by counsel when both stipulations were executed. Mr. Su acknowledged the Respondent may have concerns regarding prior legal advice but stated entry into the stipulations resulted in a waiver of defenses and mitigating arguments. Mr. Su explained that if the

Commission elects to set aside the settlement agreements and the Division later proves the alleged violations, the Division will seek to recover the full costs associated with conducting hearings that were avoided by settlement.

Mr. Su further noted the settlement stipulations required resignation from board positions and included a provision prohibiting application for or service as a board member for a five-year period from the effective date, which Mr. Su stated were agreed upon terms. Mr. Su emphasized the Commission has authority to determine whether to set aside the settlements but stated, under general principles governing contract and civil procedure, setting aside a settlement typically requires a good-faith legal basis such as a mistake, newly discovered evidence, fraud, misrepresentation, or similar grounds.

Mr. Su stated dissatisfaction with legal advice does not, by itself, constitute grounds to set aside a settlement and noted other remedies may exist regarding attorney conduct. Mr. Su concluded the Division's position is the matters were fully resolved through executed settlement stipulations and stated relitigating resolved matters would not be an efficient use of Commission or Division resources.

The Commissioners questioned Mr. Su regarding the circumstances under which the settlement was reached and whether Mr. Bielun had been properly advised about the settlement by his attorney.

Mr. Phil Su stated Mr. Bielun was represented by counsel and he could not speak to privileged communications but noted the language in the settlement stipulations indicates Mr. Bielun was fully apprised of the terms to which he agreed.

The Commissioners questioned Mr. Bielun on his request to set aside his settlements.

Mr. Bielun stated he was led to believe (by his attorney) he would not receive a fair hearing, and he now knows this to be untrue.

The Commissioners deliberated on what action to take regarding Mr. Bielun's petition to set aside his stipulations for settlement.

Motion

Commissioner Gilliam moved to deny Mr. Bielun's petition to set aside his stipulations for settlement. Seconded by Commissioner Tibbitts. Motion carried. 6-0 Commissioner Sweetin was not present.

5) DISCIPLINARY ACTION: DISCUSSION AND POSSIBLE ACTION BY THE COMMISSION:

**A) NRED v. Daybreak at Sunrise Highlands Homeowners Association, for possible action
Case No. 2024-592**

Type of Respondent: Homeowners Association

Parties Present

Christal Keegan, Senior Deputy Attorney, was present representing the Division

Crystal Rymer, Provisional Community Manager, was present virtually
Lucille Sanchez, Supervising Community Manager, was present virtually
Yoandry Sanchez, Board Member, was present virtually

Preliminary Matters

Ms. Keegan stated the Commission is addressing the association pursuant to the June 16, 2025, Commission order. Ms. Keegan presented two items for consideration: first, the association's alleged breach of Term One of the June 16, 2025, order for failing to provide required updates within the prescribed timeframe; and second, confirmation the association has obtained a third board member.

Ms. Keegan provided background, noting the association has appeared at every Commission meeting since December 2024, except September 2025. Ms. Keegan referenced prior breaches of the Commission's April 1, 2025, order, including late filing and delayed payment of \$2,311.46, which were ultimately resolved after Division follow-up. Ms. Keegan stated the association again failed to provide the required update within 45 days of the June 16, 2025, order, and proof of obtaining a third board member was not received until August 15, 2025, with Form 623 filed on August 18, 2025.

Ms. Keegan concluded the Division has taken all reasonable steps to secure compliance and noted NRS 116.785(3) permits the Commission to impose a fine of up to \$5,000 for violations of Commission orders. Ms. Keegan stated, as the association is now in compliance, the Division is prepared to close the matter.

Ms. Rymer stated the lack of response prior to the first meeting was due to a transition between managers at that time. Ms. Rymer confirmed the association has completed all required steps to obtain the third board member and has submitted all correspondence to the community in both English and Spanish, a practice that will continue. Ms. Rymer noted a community ice cream social was held, during which an additional board member was found.

Commissioner Heydarian asked to hear from the board member why the association failed to provide the update as requested.

Mr. Sanchez stated he had no information to provide but wanted to make a short statement.

Mr. Sanchez stated they had been looking for a third board member and finally one was obtained as Ms. Rymer stated. Mr. Sanchez stated that in response to the failure to respond, he has emails with several different managers around the times mentioned, so he can back up Ms. Rymer's claims about the change in management.

Commissioner Gilliam asked if the change was in management company or just an internal change in managers within the same company.

Mr. Sanchez stated it was an internal change in managers; he had emails with two different managers at the time.

Motion

Commissioner Tibbitts moved to close the case against the association. Seconded by Commissioner Gilliam. Motion carried. 7-0

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: Homeowners Association

Parties Present

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

Patrick Orme Esq., was present representing the Respondent

Leah Wickline, Provisional Community Manager, was present

Preliminary Matters

Phil Su stated the Commission last heard from Rancho San Juan in December 2024, when the Commission ordered a status check and production of financial records and related documents prior to a scheduled September status check. Mr. Su noted the September status check was canceled but stated Mr. Orme and the community association manager, Ms. Leah Wickline, provided the requested documents in late August in advance of the canceled status check and have since provided additional financial records included in the meeting materials.

Mr. Su stated the financial information indicates the association is making progress toward certain goals, including installation of a playground and replenishment of reserve funding, although those efforts remain ongoing. Mr. Su noted approximately 30 percent of unit owners appear to be behind on assessments, with a smaller subset more than 90 days delinquent, based on the recent status update.

Mr. Su stated no recommendation was being made at this time regarding closure of the matter. Mr. Su explained, although Mr. Orme has requested closure based on compliance or steps toward compliance, Mr. Su was not prepared to recommend closure due to the ongoing work related to reserve funding. Mr. Su noted repeated appearances before the Commission result in additional costs to the association and stated the decision regarding further monitoring versus closure rests with the Commission. Mr. Su then invited Mr. Orme to provide additional comments.

Mr. Orme stated he agreed with Mr. Su's summary but provided an updated delinquency rate. Mr. Orme stated the previously referenced 30 percent delinquency rate reflected an August update and the current delinquency rate has been reduced to approximately 8 percent, representing 5 of the association's 61 units. Mr. Orme stated all delinquent accounts are less than sixty days past due.

Mr. Orme explained the association is a small homeowners' association consisting of 61 mobile home units and described the community as a lower-income association. Mr. Orme stated the matter before the Commission arose from actions of a prior board and noted the original claim included both the association and three former board members. Mr. Orme stated his office has represented only the association and prior Commission decisions addressed the former board members, including restrictions on future board service.

Mr. Orme stated significant progress has been made since the matter was initiated, including improvements to reserve funding and collections. Mr. Orme stated the association is now operating within normal parameters compared to other associations represented by his office, although some items remain a work in progress. Mr. Orme requested, on behalf of the association, that the case be closed.

Mr. Orme stated Ms. Wickline was present and available to respond to questions.

Commissioner Lighthart questioned whether the 2026 budget has been ratified.

Mr. Orme explained the budget reflects an assessment increase to \$450, which was based on a proposed capital improvement ballot that would have increased monthly assessments by \$200 if the pool and clubhouse were retained. Mr. Orme stated ballots are currently being returned and are not due until December 31. Mr. Orme stated, based on the ballots received to date, owners appear to prefer not to increase assessments and instead remove the pool and clubhouse.

Ms. Leah Wickline stated assessments have increased modestly to \$250. Ms. Wickline explained the capital improvement ballot advised the membership assessments could increase to approximately \$450 over the next four to five years to restore common areas and achieve adequate reserve funding. Ms. Wickline stated no reduction in assessments would occur before 2031. Ms. Wickline stated, based on ballot returns to date, owners understand a \$450 assessment would be a significant financial burden and may be unaffordable.

Commissioner Gilliam asked whether the projected reserve funding level would be approximately 5 percent by the end of the next year.

Ms. Wickline confirmed the projection and explained funds are being collected and expended concurrently as projects are scheduled. Ms. Wickline stated current reserve balances are sufficient to renovate the pool area and complete limited parking improvements. Ms. Wickline stated additional projects are being pursued using cost-conscious alternatives, including a basic basketball half-court, common-area lighting, and alternative playground options.

Ms. Wickline stated reopening the pool requires restroom facilities, which necessitates addressing asbestos issues within the clubhouse. Ms. Wickline explained clubhouse renovations are more costly and must be phased based on available cash flow. Ms. Wickline stated expenditures are being managed to avoid reducing reserves to unsafe levels while maintaining day-to-day operations.

Commissioner Gilliam asked whether a five-year plan had been provided.

Ms. Wickline stated no formal five-year plan was adopted but explained projected budgets were prepared based on known and anticipated expenses. Ms. Wickline stated projections include contingencies but are subject to change due to unforeseen circumstances.

Ms. Wickline described proposed plans to convert the clubhouse into a pool house structure with restroom facilities, limited storage, and partial outdoor pavilion space to reduce maintenance

costs and vandalism. Ms. Wickline stated fencing upgrades are required to meet current Southern Nevada Health District standards and new playground regulations may require additional fencing. Ms. Wickline stated regulatory requirements for playground fencing remain unclear and may significantly affect project scope and cost.

Ms. Wickline outlined a tentative project timeline, including reopening the pool in 2026, addressing asbestos remediation and clubhouse modifications, installing playground equipment thereafter contingent on funding and regulatory clarity, and completing street repairs over a three-year period at an estimated cost of approximately \$300,000. Ms. Wickline stated landscaping improvements are underway and noted certain project decisions remain dependent on pending regulatory guidance regarding playground safety requirements.

Mr. Orme stated the homeowner's association is being managed competently and is in capable hands. Mr. Orme stated Ms. Wickline is working effectively with the current board members and noted the board is active and committed to bringing the association back into compliance. Mr. Orme stated one of the current board members originally filed the complaint while serving as a minority board member due to concerns with prior management. Mr. Orme stated the individuals responsible for prior issues are no longer involved and the current board and community manager are actively addressing outstanding matters.

The Commissioners questioned Ms. Wickline about the association.

Ms. Wickline answered all questions posed by the Commission.

The Commissioners deliberated on what action to take against the association.

Motion

Commissioner Tibbitts moved to close the case against the association. Seconded by Commissioner Morse Jarman. Motion carried 6-0. Commissioner Sweetin was not present.

D) NRED v Beazer Homes Holdings, LLC., for possible action

Case No. 2025-502

Type of Respondent: Declarant

E) NRED v Beazer Homes Holdings, LLC., for possible action

Case No. 2025-525

Type of Respondent: Declarant

Parties Present

Christal Keegan, Senior Deputy Attorney, was present representing the Division
Joshua Hicks, Esq., was present representing the Respondent

Preliminary Matters

Commissioner Tibbitts recused himself from the case due to a conflict of interest.

Ms. Keegan stated the cases involve a declarant's failure to timely terminate declarant control. Ms. Keegan stated formal complaints were filed on October 23, 2025, and first amended

complaints were filed shortly thereafter on October 27, 2025, to reflect changes in the law, increasing the maximum administrative fine from \$1,000 to \$5,000 per violation. Ms. Keegan stated the parties were able to enter into a global settlement because the declarant represented turnover had been completed in both cases and the Respondent demonstrated efforts to complete turnover in their other associations. Ms. Keegan stated she was ready to present the settlement terms and conditions for Commission approval and noted the factual allegations and violations of law were worthy of being read into the record.

Ms. Keegan read the complaint for both cases into the record.

Ms. Keegan stated a summary of the Respondent's position is included in the record. Ms. Keegan stated in both cases the Respondent alleged, despite best efforts, enough unit owners willing to serve on the boards could not be located within the timeframes required by NRS 116.31032.

Ms. Keegan stated the proposed global settlement agreement terms are before the Commission for consideration.

The Commission asked Mr. Hicks if he had anything to add.

Mr. Hicks stated there were no additional comments. Mr. Hicks stated Ms. Keegan accurately portrayed the matter. Mr. Hicks thanked Ms. Keegan for working with the parties to reach a resolution. Mr. Hicks stated a willingness to answer any questions from Commission members.

Motion

Chairman Tomasso moved to accept the terms of the global settlement. Seconded by Commissioner Gilliam. Motion carried 5-0, Commissioner Tibbitts recused himself and Commissioner Sweetin was not present.

F) NRED v Breccia Bay Homeowners Association, for possible action

Case No. 2025-198

Type of Respondent: Homeowners Association

Parties Present

Phil Su, Senior Deputy Attorney General, present representing the Division
Daniel Hansen Esq., was present representing the Respondent
Janet Guerrero, Board Member, was present virtually
Kevin Hazy, Board Member, was present virtually

Preliminary Matters

Mr. Su stated there is a stipulated settlement; however, it has not been signed by all parties. Mr. Su stated the agreement was reached at the last moment, but the settlement is in hand. Mr. Su asked if the Commission is amenable to him reading the settlement on the record and stated he is available to answer any questions.

Ms. Bordelove stated she would suggest listening to the settlement. Ms. Bordelove stated the alternative would be to continue the matter until an executed settlement agreement is obtained,

which would delay the process. Ms. Bordelove stated there is nothing wrong with the Commission hearing the terms and concept of the settlement, assuming the agreement will be finalized. Ms. Bordelove stated otherwise the Commission would proceed with the standard settlement agreement form and approval. Ms. Bordelove stated if the settlement falls apart later and a party refuses to sign, the settlement would not be entered, and the matter would return to a future meeting. Ms. Bordelove confirmed the board's agreement.

Mr. Hansen stated the settlement is not just in concept but exists as a draft that has been circulated. Mr. Hansen stated the board has approved the draft, and only signatures are needed. Mr. Hansen stated the board can also speak about the matter if necessary.

Ms. Bordelove stated Mr. Su could read the stipulation and settlement for the Commission. Ms. Bordelove stated the Commission could vote to accept the settlement. Ms. Bordelove stated any motion to accept should be conditioned on the settlement being executed and agreed to by all parties.

Mr. Su read the proposed settlement agreement into the record.

Motion

Commissioner Gilliam moved to accept the settlement subject to all parties agreeing to and signing the stipulation for settlement. Seconded by Commissioner Lighthart. Motion carried. 6-0, Commissioner Sweetin was not present.

H) NRED v El Parque Homeowners Association, for possible action

Case No. 2025-217

Type of Respondent: Homeowners Association

Parties Present

Christal Keegan, Senior Deputy Attorney, was present representing the Division
Ryan O'Malley Esq., was present virtually representing the Association
Leah Wickline, Provisional Community Manager, was present

Preliminary Matters

Ms. Keegan stated the association was not challenging the Division's factual allegations or alleged violations of law and was appearing to present a proposed plan for the Commission's review and guidance.

Ms. Keegan stated there were numerous documents in the case. Ms. Keegan stated the parties stipulated providing all documents in advance of the hearings. Ms. Keegan moved the documents into the record. Ms. Keegan identified the Division's documents as Bates stamped pages totaling 1,255 pages. Ms. Keegan identified the Respondents' exhibits totaling 2,405 pages.

Chairman Tomasso accepted the motion to admit the State's and Respondent's documents into the record.

Ms. Keegan stated the Division was prepared to allow the association's attorney to walk the Commission through the proposed plan. Ms. Keegan stated the Division had reviewed the

proposed plan and found it to be adequate. Ms. Keegan stated, prior to presentation, a brief procedural background would be provided for the record.

Ms. Keegan stated the Association was formerly managed by Michael Skahill. Ms. Keegan stated, had the current CAMs not ignored the Division's investigation, the matter may have turned out differently. Ms. Keegan stated the Division filed its formal complaint on July 14, 2025, charging eight violations of law.

Ms. Keegan stated the case was noticed for the September hearings, which were later continued. Ms. Keegan stated the Association failed to file a timely answer and the Division issued a Notice of Default on August 19, 2025. Ms. Keegan stated Attorney O'Malley appeared on behalf of the Association on August 22, 2025. Ms. Keegan stated the Association filed an untimely answer on August 25, 2025. Ms. Keegan stated the Association filed 2,405 pages of documents on September 3, 2025, the week before the September hearings.

Ms. Keegan stated the hearings were continued due to a statewide outage and the case was re-noticed for December. Ms. Keegan stated disciplinary recommendations would be presented after Attorney O'Malley presented the proposed plan to the Commission for review.

Mr. O'Malley stated the association acknowledged violations occurred in the case. Mr. O'Malley stated the violations were not committed for reasons other than financial hardship, and the association was financially struggling while attempting to maintain essential services, including electricity, insurance coverage, and water service.

Mr. O'Malley stated, notwithstanding the circumstances, violations did occur and required remediation. Mr. O'Malley stated required annual reserve studies had not been performed. Mr. O'Malley stated the association was working to retain an accountant to perform audits and reserve studies as required. Mr. O'Malley stated Ms. Wickline would have the most current information regarding those efforts. Mr. O'Malley stated the association had trouble retaining an accountant but was committed to completing the required studies.

Mr. O'Malley stated deficiencies related to single-signatory checks had occurred. Mr. O'Malley stated those deficiencies had been corrected and Ms. Wickline could provide the latest information. Mr. O'Malley stated the association committed to complying with all two-signature authorization requirements going forward.

Mr. O'Malley stated, with respect to vendor licensing, the Board directed management to reconcile vendor payments and to adopt a policy requiring license and insurance verification for all contractors whose scope of work requires licensing. Mr. O'Malley stated the policy would require obtaining three bids for contracts exceeding \$2,500 and would limit handyman work to allowable scopes under \$1,000 per work order.

Mr. O'Malley stated the Board would strengthen governance practices. Mr. O'Malley stated the Board would adopt written policies addressing reserve use and repayment, dual-signature and accounts payable controls, quarterly financial reviews, and contractor oversight. Mr. O'Malley stated all Board members would complete at least three hours of training in HOA financial

management and fiduciary duty obligations, as well as one and one-half hours of training in reserve studies. Mr. O'Malley stated any outstanding training would be completed promptly.

Mr. O'Malley stated Ms. Wickline could respond to any specific questions regarding the status of compliance efforts. Mr. O'Malley stated the outlined terms constituted the proposed agreement presented to the Commission.

The Commission questioned Ms. Wickline about the details of the proposed agreement and the difficulties of getting the association into compliance.

Ms. Wickline answered all questions posed by the Commission.

The Commission requested a disciplinary recommendation from Ms. Keegan

Ms. Keegan stated clarification was needed regarding a point raised by Attorney O'Malley before requesting fees and costs.

Ms. Keegan stated Attorney O'Malley referenced Board training completion by December 1, 2025.

Ms. Wickline stated the Board had not completed the training by that date. Ms. Wickline stated the Board understood the training requirements. Ms. Wickline stated some Board members experienced scheduling conflicts. Ms. Wickline stated, at the time the Board researched available classes, the Division's website was down. Ms. Wickline stated access to the training schedule had since been restored and the Board would be able to complete the training when their schedule allows.

Ms. Keegan stated, if satisfactory to the Commissioners, a firmer completion date was requested, as the current timeframe was vague.

Ms. Keegan stated the Division was requesting recovery of costs and attorney fees incurred in filing the formal complaint. Ms. Keegan stated the requested fees and costs had been submitted to opposing counsel.

The Commission questioned Ms. Keegan whether if the Board is required to take Division taught classes could they take classes offered to Community Managers.

Ms. Keegan stated the courses offered on the Division's website are certified and reviewed by the Division and are in compliance with regulatory requirements for approved course providers. Ms. Keegan stated the Division could not speak to courses offered outside of that framework. Ms. Keegan stated the Division could not comment on the quality, substance, or level of attention required for training obtained outside of the Division-approved providers.

Ms. Keegan stated the Division's website identifies the approved courses available through the Division. Ms. Keegan stated if the association chose to pursue training beyond those offerings, the Division could not speak about the quality of education being received.

Ms. Wickline inquired about a payment plan, since the association has a tight operating budget.

Maria Gallo, Commission Coordinator, testified to the Division's actual reasonable and necessary fees and costs total \$10,250.61.

The Commissioners deliberated on what action to take against the association.

Motion

Commissioner Lighthart moved to approve the actions taken by the association in response to the amended complaint, to require completion of Board training by March 31, 2026, as identified in the association's response dated April 25, 2025, at page 11, and to require the association to enter into a payment plan with the Division for costs in the amount of \$10,250.61, to be paid over a twelve-month period. The motion was seconded by Commissioner Morse Jarman.

Commissioner Lighthart amended the motion to require the first payment to be due thirty days after the meeting and to require a status check in December 2026 addressing audits and the reserve study. Commissioner Lighthart stated the status check was to be submitted 10 working days prior to the December 2026 meeting date. The amended motion was seconded by Commissioner Morse Jarman. The motion carried 6-0, Commissioner Sweetin was not present.

J) NRED v Spring Woods Owners' Association, for possible action

Case No. 2025-176

Type of Respondent: Homeowners Association

Parties Present

Christal Keegan, Senior Deputy Attorney, was present representing the Division

Codi McDermott, Community Manager, was present virtually

Robert Sylvain, Board Member, was present virtually

Dean Harako, Board Member, was present virtually

Preliminary Matters

Ms. Keegan stated the Commission was proceeding with the stipulation settlement agreement for the Commission's approval. Ms. Keegan stated some background information would be provided before presenting the terms for the Commission's review.

Ms. Keegan stated the case involved the Association failing to maintain three Board members as required by law, failing to submit its annual registration forms and fees to the Division, and failing to adopt a reserve study every five years.

Ms. Keegan stated the Division filed its formal complaint on July 3, 2025, with 68 pages of supporting documents. Ms. Keegan stated the Respondent did not file an answer but submitted various documents on July 10, 2025. Ms. Keegan stated the Division filed its first supplemental response to the Respondent's documents on July 28, 2025, and those documents were to be entered into the record. Ms. Keegan stated the Division was ready to proceed with the presentation of the proposed terms for the Commission's consideration.

Chairman Tomasso accepted the motion to admit the State's and Respondent's documents into the record.

Ms. Keegan stated the Association had a deficiency in maintaining three Board members as required by law since at least March 2024. Ms. Keegan stated the Association's annual registration forms (Form 562) reported only two Board members, President Robert Sylvain and Secretary Dean Hirako, and, as of April 18, 2025, the Provisional Community Association Manager, Codi McDermott, confirmed there were still only two Board members.

Ms. Keegan stated the Association was not in good standing for past-due annual registration forms and/or fees as of March 7, 2025. Ms. Keegan stated the Division issued past-due remittance notices for balances due and/or missing registration forms after the annual December 31 expiration date. Ms. Keegan stated, as of April 18, 2025, the CAM represented account balances were pending Board approval, and as of June 4, 2025, the Association's credentials were not in good standing due to unpaid past-due interest on delinquent unit fees.

Ms. Keegan stated the Association failed to adopt a reserve study every five years. Ms. Keegan stated the CAM admitted the Board had not approved a reserve study since 2017, claiming the Board "rarely has a quorum, so getting it approved has been a challenge." Ms. Keegan stated, as of April 18, 2025, the Level One reserve study prepared on December 21, 2022, for the period January 1, 2023, to December 31, 2023, was still pending approval.

Ms. Keegan stated the complaint alleged violations of NRS 116.31152(2) and NAC 116.427 for failing to adopt a reserve study within five years, NRS 116.31151(3) for failing to maintain good standing with the Division, NRS 116.31158(1) for failing to timely submit annual registration forms in 2024 and 2025, and NRS 116.31034(1) for failing to maintain at least three Board members since March 2024.

Ms. Keegan stated the Respondent admitted to the factual allegations and violations of law to avoid the time and expense of litigation and was not contesting the violations. Ms. Keegan stated the parties desired to compromise and settle the Division's findings, under the following terms.

Ms. Keegan stated the Respondent agreed to submit Form 623 registration filing addendum reporting three Board members to the Division by August 28, 2025. Ms. Keegan stated all Board members would complete six hours of Board member training each in relevant areas, including "Welcome to the Board," forms, reserve studies, and responsibilities of the Community Manager, within 120 days from entry of the order, with proof of completion submitted to the Division. Ms. Keegan stated the Respondent would pay the Division a total of \$3,493,76, representing costs and attorney's fees, to be paid within 30 days of entry of the order. Ms. Keegan stated the remainder of the terms were standard.

Commissioner Lighthart asked about the status of the reserve study, because it was still pending approval.

Ms. McDermott stated the reserve study was approved and the form was sent to the Division.

Ms. Keegan inquired when the form was sent, because she does not have a copy of the updated form.

Ms. McDermott stated she would have to verify the date the form was submitted to the Division.

Division staff was asked to check and verify the association submitted an updated Form 609.

Ms. Keegan stated the only additional point she wanted to add, based on discussions in a past case, was regarding continuing education. Ms. Keegan stated it is the Division's position continuing education courses should be taken through the Division, which offers extensive training, or through the Ombudsman's Office. Ms. Keegan stated it is the Division's recommendation that the continuing education courses referenced in Term 2 of the proposed settlement agreement be completed through either the Ombudsman's Office or the Real Estate Division.

Division staff checked and verified that an updated Form 609 was not submitted to the Division.

Ms. McDermott stated she was reviewing the matter. Ms. McDermott apologized for misspeaking earlier. Ms. McDermott stated there had been some back and forth with the reserve study specialist, herself, and President Robert Sylvain to ensure the study was correct, and the form had not yet been sent. Ms. McDermott stated the reserve study was approved and finalized on October 1, 2025.

Commissioner Tibbitts stated the association indicated the item was approved, but the Division had not yet verified approval. Commissioner Tibbitts stated the Commission could approve the settlement agreement conditionally, contingent upon the Division receiving evidence of the approval. Commissioner Tibbitts stated the Division would ensure receipt of the approval or provide it, allowing the Commission to approve the settlement agreement with the condition.

Motion

Commissioner Lighthart moved to accept the terms of the stipulated settlement, upon the condition of the Division receiving an updated Form 609 from the association confirming the reserve study was approved by the Board. Seconded by Commissioner Tibbitts. Motion carried 6-0. Commissioner Sweetin was not present.

K) NRED v Via Olivero Springs Homeowners Association, for possible action

Case No. 2024-986

Type of Respondent: Homeowners Association

Parties Present

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

Katherine Holbert, Esq, was present representing the Respondent

Preliminary Matter

Mr. Su stated the parties were prepared to present a settlement stipulation for Commission approval. Mr. Su stated the matter involved a small 9-unit community that historically operated as a common-interest community but did not register with the Division until June 2024. Mr. Su

stated this history explained several of the allegations raised in the case. Mr. Su stated the complainant submitted an intervention affidavit alleging thirteen violations, many of which related to reserve studies, reserve funding, the use of a single checking account, and documentation deficiencies. Mr. Su stated the proposed settlement required the association to retain a community association manager (CAM), and a CAM had been retained. Mr. Su stated based on the circumstances, the factual allegations and violations would be placed on the record before addressing the settlement terms.

Mr. Su read the factual allegations and the violations of law into the record.

Mr. Su read the terms of the stipulation for settlement into the record.

Motion

Commissioner Gilliam moved to approve the terms of the stipulation for settlement. Seconded by Commissioner Heydarian. Motion carried.

8) Public Comment

None

9) FOR POSSIBLE ACTION: ADJOURNMENT

Meeting recessed at 3:40 PM.

Minutes prepared by: _____
Maria Gallo
Commission Coordinator

To Be Approved By Commission

**COMMISSION FOR COMMON-INTEREST COMMUNITIES AND
CONDOMINIUM HOTELS MEETING MINUTES DECEMBER 10, 2025**

**VIA IN PERSON AND TEAMS VIRTUAL MEETING
DECEMBER 10, 2025**

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

VIDEO CONFERENCE TO:
Nevada Division of Insurance
1818 College Parkway
Suite 103
Carson City, Nevada 89706

1) COMMISSION/DIVISION BUSINESS:

A) Call to Order; Introduction of Commissioners in Attendance; and Establish Quorum

Chairman Tomasso called the meeting to order at 9:05 A.M.

Introduction of Commissioners in attendance: Phyllis Tomasso, June Heydarian, Kim Lighthart, Sara Gilliam, and Patricia Morse Jarman. A quorum was established. Commissioners Sweetin and Tibbitts were not present.

Commission Counsel: Rosalie Bordelove, Chief Deputy Attorney General, was present. Stephanie Itkin-Goodman, Deputy Attorney General, was present virtually.

C) Introduction of Division Staff in Attendance

Sharath Chandra, Administrator; Charvez Foger, Deputy Administrator; Sonya Meriweather, Ombudsman; Shareece Bates, Administration Section Manager; Terry Wheaton, Chief Compliance Audit Investigator; Robert Towle, Compliance Audit Investigator; Maria Gallo, Commission Coordinator; Amy Reveyrand, Commission Coordinator; Phil Su, Senior Deputy Attorney General; and Christal Keegan, Senior Deputy Attorney, was present.

2) Public Comment

Mr. Kosor stated he is a resident of an HOA and indicated his prior issues and history were known to the Commission. Mr. Kosor stated the purpose of the public comment was to request the Commission review a matter, he believes the Administrator has been obfuscating with respect to statutory duties owed to Nevada residents.

Mr. Kosor stated his prior public comment addressed a petition effort and his current public comment concerned a separate effort in which the Division is required by statute to provide an opinion. Mr. Kosor referenced NRS 116.31032, addressing declarant control, and stated copies of the statute were provided to the Commission. Mr. Kosor identified three portions of the statute as particularly important, including language stating a declaration may provide for determination

of declarant control, the provision addressing the termination period, and the criteria establishing the earliest termination date.

Mr. Kosor posed the question of whether a declaration that provides for a shorter termination period than the statute would be effective for a homeowner's association. Mr. Kosor stated a request for an opinion was submitted to the Administrator and the issue appeared straightforward based on the statutory language.

Mr. Kosor stated the Administrator responded in 2017 and again on two subsequent occasions, indicating although there may be disagreement with the law, the language of NRS 116.31032 was not considered unclear and AB 192 (2015) did not make the change retroactive.

Mr. Kosor questioned why, if the association has a lower termination threshold, the Real Estate Division has not acted. Mr. Kosor referenced Commission action taken the prior day against a developer for failing to turn over declarant control despite exceeding the statutory threshold.

Mr. Kosor asked why the Real Estate Division has not taken action in this case and why no opinion has been provided addressing whether his statutory interpretation is correct. Mr. Kosor stated a similar question was posed to the Ombudsman and the response indicated legal advice could not be provided regarding statutory interpretation. Mr. Kosor stated the request was for an interpretation of the statute rather than legal advice.

Mr. Kosor concluded by stating the Commission was established to hold the Real Estate Division accountable and requested the Commission inquire why no response has been provided on this issue.

5) DISCIPLINARY ACTION: DISCUSSION AND POSSIBLE ACTION BY THE COMMISSION:

C) NRED v. Villagio Community Association, for possible action

Case No. 2023-38

Type of Respondent: Homeowners Association

Parties Present

Christal Keegan, Senior Deputy Attorney, was present representing the Division

Ryan Hastings Esq., was present representing the Respondent

Francesca "Frankie" Stevenson, Community Association Manager, was present virtually

Barbel Warren, Board Member, was present virtually

Preliminary Matters

Ms. Keegan stated the matter was before the Commission pursuant to the Commission's September 19, 2024, order for a status check. Ms. Keegan stated the September 2025

Commission hearings were cancelled due to the statewide cyber-attack and were re-noticed for the current hearing.

Ms. Keegan stated during the interim period, the Division discovered the Respondent was not in good standing due to a failure to renew. Ms. Keegan stated a notice of "not-in-good-standing

status” was filed on July 25, 2025. Ms. Keegan confirmed the association paid the required fees on August 1, 2025, and returned to “normal status”, resolving that issue.

Ms. Keegan stated on August 28, 2025, the association filed a status report as requested by the Commission. Ms. Keegan concluded by turning the floor over to the association to present their status report information to the Commission.

Mr. Hastings stated Mr. Leach was the primary attorney working with the association and Ms. Keegan on the case but was unavailable due to a conflict, which was the reason for Mr. Hastings’ appearance.

Mr. Hastings stated from a high-level perspective, the status report reflected progress exceeding expectations when compared to the previously approved funding plan. Mr. Hastings stated the association was ahead in every category anticipated under the funding plan approved by the Commission. Mr. Hastings stated details regarding specific amounts could be addressed if requested by the Commissioners.

Mr. Hastings stated, in addition to exceeding funding plan projections, significant progress had been made in retiring the due-to/from obligations. Mr. Hastings stated, prior to approval of the funding plan, the due-to/from balance was approximately \$130,829.00 and had since been reduced to approximately \$95,000.00. Mr. Hastings stated Page 3 of the status report included a schedule showing the projected reductions in the due-to/from amounts in the coming years. Mr. Hastings clarified the schedule reflected the amount of reduction for each year rather than the ending balances.

Mr. Hastings stated no concerns existed from the association’s perspective and expressed satisfaction with the progress made. Mr. Hastings stated the results reflected the desired outcome and expressed hope the Commission would find the status satisfactory. Mr. Hastings asked whether any Commissioners had questions.

Commissioner Lighthart stated the status report was dated August 28, 2025, and asked whether there was an update on progress since that date. Commissioner Lighthart asked whether the association remained on track, whether any unusual expenses had occurred, and whether conditions continued to improve.

Mr. Hastings responded that the law firm had not been made aware of any substantial changes from what was reflected in the August 28, 2025, status report. Mr. Hastings stated if acceptable to the Commission, Ms. Stevenson, the Community Manager, could provide additional information regarding day-to-day operations and confirm whether any material changes have occurred since August.

Ms. Stevenson stated operations were proceeding in accordance with the Commission-approved plan. Ms. Stevenson stated the financial figures were slightly improved from August due to continued contributions and ongoing reductions to the due-to/from balances. Ms. Stevenson stated all matters were progressing as planned and no unusual or out-of-the-ordinary issues had been identified.

Commissioner Lighthart asked whether any major projects had arisen or whether any issues had occurred that would require the use of reserve funds, noting such situations can sometimes arise unexpectedly.

Mr. Hastings directed the Commission's attention to Page 3 of the status report, which addressed future expenditures. Mr. Hastings stated additional funds would be transferred to the reserve account over the final five months of the calendar year. Mr. Hastings stated reserve expenditures would continue in accordance with the association's reserve study. Mr. Hastings stated some repairs are in progress or have been completed, and the board would soon be soliciting bids for a stucco paint project with a projected cost of \$316,663.00. Mr. Hastings stated even if this expenditure were incurred entirely in 2025, the reserve account balance would still exceed the projected year-end balance of \$408,990.00 for 2025. Mr. Hastings stated the association was adequately funded as defined under the applicable statute.

Commissioner Lighthart asked whether staff had any comments or observations regarding the status report provided.

Ms. Keegan stated Division staff had reviewed the status report. Ms. Keegan stated the association appeared to be on track and as represented by Mr. Hastings, was performing better than projected at the prior appearance before the Commission, and the association was back on track. Ms. Keegan stated Division staff had nothing further to add.

Commissioner Lighthart addressed a clerical error in the report.

Mr. Hasting reviewed the report and agreed there was a clerical error, and it would be corrected.

Ms. Keegan stated the Division was satisfied with the report presented by Mr. Hastings, identified no additional issues, and was prepared to close the file.

The Commissioners deliberated on what action to take against the Respondent.

Motion

Chairman Tomasso moved to close the case against the association. Seconded by Commissioner Gilliam. Motion carried.

G) NRED v Cheyenne Park Villas Homeowners Association Inc., for possible action

Case No. 2024-606

Type of Respondent: Homeowners Association

Parties Present

Christal Keegan, Senior Deputy Attorney, was present representing the Division
Ryan Hasting Esq., was present representing the Respondent
Lisa Roberts, Supervising Community Association Manager, was present virtually
Robin White, Community Association Manager, was present virtually

Preliminary Matters

Commission Counsel Ms. Bordelove stepped down as counsel for this case due to a conflict.

Commission Counsel Ms. Itkin-Goodman served in her stead for this matter.

Ms. Keegan stated the association was not contesting the case at the hearing. Ms. Keegan stated the Division had worked with the association on a proposed resolution intended to bring the association back into compliance with the law and acknowledged the candor and efforts of the new community managers.

Ms. Keegan stated the case involved a substantial volume of documents and the parties had stipulated to provide the documents to the Commission in advance of the hearings. Ms. Keegan requested the following exhibits be moved into the record: the Division's four volumes of exhibits totaling 1,383 pages, the Respondent's 23 exhibits, and a supplemental answer with 123 pages of exhibits filed by the Respondent's attorney the day before the hearing. Ms. Keegan noted the supplemental exhibits violated the five-working-day rule under NAC 116.575, which had frustrated the Division's ability to perform a substantive review, but stated the Division did not object to the Commission's consideration of the documents if helpful in deciding the matter.

Chairman Tomasso moved to admit all of the State's and Respondent's documents into the record.

Ms. Keegan presented a summary of events leading up to the hearing.

Mr. Hastings stated, before reviewing specific parts of the proposed plan, he wished to highlight the significant progress made under new management. Mr. Hastings emphasized the importance of competent management in any association, noting while board members remain responsible for understanding and fulfilling their duties under the governing documents and Nevada law, the current management team had enabled the board to make a "180-degree turn" and place the association back on track.

Mr. Hastings stated the initial answer was intended for the September hearings, which were cancelled because of the cyber-attack; he addressed each alleged violation and outlined the association's actions up to that time. Mr. Hastings stated certain items in the proposed plan could not have been completed prior to the September hearing, but additional work had been accomplished since then, which was the purpose of the supplemental filing submitted on December 9, 2025. Mr. Hastings noted while the supplemental filing did not comply with the five-working-day rule under NAC 116.575, the Division had indicated it would not object to its consideration.

Mr. Hastings highlighted key updates and accomplishments since the September hearing:

- The association now has three board members.
- Issues noted in Violation 2 regarding bank signature cards and proper processing of invoices have been corrected. All checks now have two signers.
- Board meetings have been conducted regularly, including July 15 and October 15, 2025, with the next meeting scheduled for January 14, 2026. Additional meetings will be scheduled as needed.
- Violations 3 and 4: The 2022 annual unit-owner meeting minutes have been provided.

- Violations 5, 11, 12, 13, 14, and 15: An updated reserve study has been provided.
- Violations 6 and 21: Board members have completed training in budgeting, financial management, and common-interest community governance as of October 23, 2025.
- The board has adopted revised budgets, increased assessments to the maximum authorized by the CC&Rs and implemented a special reserve assessment to ensure adequate funding.
- Vendors with conflicts of interest have been replaced.
- Audits: a company was retained for the 2021 audit, and the 2022 audit was completed; copies have been provided.
- Violations 16, 17, and 18: All required insurance policies are now in place, and certificates have been submitted, including additional documentation provided in the supplemental filing.

Mr. Hastings concluded, based on the recommendations of the Division and legal counsel, the association is confident in its plan and management, and the issues that had previously plagued the association are now being addressed. Mr. Hastings stated the association is on track to achieve full compliance with its legal obligations.

Mr. Hastings asked whether the Commission had any questions.

The Commissioners questioned Mr. Hastings and Ms. Roberts about the reserve account, audits, the 2026 budget and securing 3 board members

Ms. Roberts and Mr. Hastings responded to all the questions posed by the Commission.

Chairman Tomasso asked Ms. Keegan for the disciplinary recommendations.

Ms. Keegan stated the matter should return to the Commission. Ms. Keegan explained new management is in place and a return appearance would allow the Commission to confirm compliance with statutory requirements.

Ms. Keegan stated additional documentation may be required in the future to provide assurances to both the Commission and the Division the association remains on track. Ms. Keegan stated March or June of 2026 may be an ideal time to bring back the association for a status check. Ms. Keegan stated board member training is progressing and would require proof of completion to be submitted a specified number of working days prior to any future hearing, should the Commission determine the association must return. Ms. Keegan requested the Commission award recovery of Division costs and attorney fees incurred in filing the formal complaint and efforts to bring the association back into compliance. Ms. Keegan stated the fees and costs have been submitted to opposing counsel.

Chairman Tomasso asked whether there were any further questions.

Maria Gallo, Commission Coordinator, testified to the Division's actual, reasonable and necessary fees and costs total \$6,584.12

The Commissioners deliberated on what action to take against the association.

Motion

Commissioner Lighthart moved the association appear at the June 2026 meeting to provide a status update no less than 10 days before the meeting including completed audits for years 2022-2024, proof of completion of all required education by the board members, a funding plan proposal showing the amount due to the reserve fund from the operating fund, the most current financial statements for 2026, including monthly and year-to-date amounts and any proposed revisions to the 2026 budget. The association pays the Division's fees and costs of \$6,584.12 within 30 days. Seconded by Commissioner Heydarian. Motion carried.

I) NRED v Somerset Park Homeowners Association, for possible action

Case No. 2022-530

Type of Respondent: Homeowners Association

Parties Present

Phil Su, Senior Deputy Attorney General, was present representing the Division.
Ryan Hastings, Esq., was present representing the Respondent.

Preliminary Matters

Commission Counsel Ms. Itkin-Goodman stepped down as counsel.
Commission Counsel Ms. Bordelove served in her stead for the remainder of the meeting.

Mr. Su stated the association recently transitioned to new management. Mr. Su stated the status of the management handover and completion of CAM duties was unclear, and it was uncertain whether all relevant parties were aware of the details of the transition.

Mr. Hastings stated contact has been made with current management and management is operational, aware of the situation, and prepared to take any additional steps requested by the Commission.

Opening Statements

Mr. Su made an opening statement.
Mr. Hastings made an opening statement.

Mr. Su moved to admit the State's documents into the record.
Chairman Tomasso admitted the State's documents into the record.

State's Witness

Christina Pitch, Compliance Audit Investigator, testified.

Closing Statements

Mr. Su made a closing statement.
Mr. Hastings made a closing statement.

The Commissioners deliberated on what action to take against the association.

Commissioner Lighthart moved Violation of Law #1 has been proven. Seconded by Commissioner Heydarian. Motion carried.

Mr. Su recommended the Commission monitor the situation through periodic status checks to ensure compliance with the funding plan. Mr. Su stated the Division also recommends continuing education for the board members, consisting of six hours per member. Mr. Su stated the Division has authorized a recommendation to seek recovery of the Division's costs only, and not attorney fees, in recognition of the challenges the community has overcome, and the assistance received to make the funding plan viable.

Mr. Su stated staff could provide testimony regarding the actual costs if requested and concluded by stating he is ready to answer any questions from the Commission.

Mr. Hastings stated support for the proposed funding plan. Mr. Hastings stated the matter is unique due to cooperation from vendors who reduced fees to assist in making the funding plan viable. Mr. Hastings stated preparing a funding plan is challenging due to the need to balance sufficient funding with affordability for homeowners and the proposed plan successfully achieves that balance.

Mr. Hastings referenced Exhibit 3 and stated the funding plan reflects increased regular assessments and a special reserve assessment over time, covering the period from 2026 through 2029. Mr. Hastings explained variations in reserve transfers are due in part to a specific roofing obligation anticipated to be satisfied by June 2026, resulting in increased special reserve contributions in the early years of the plan.

Mr. Hastings identified a correction to the association's written response, clarifying the special reserve assessment amount should be \$200 per unit, rather than \$150, as reflected in the calculations within the funding plan. Mr. Hastings stated the plan remains within the maximum annual assessment increase authorized by the governing documents and results in no deferred maintenance.

Mr. Hastings stated the funding plan reduces outstanding balances, aligns with the reserve study, and is designed to ensure sufficient funds are available for future repairs and replacements. Mr. Hastings stated the association is nearing seventy-five percent reserve funding by the end of 2029.

Mr. Hastings stated appreciation for the assistance provided by community members and vendors. Mr. Hastings stated the association is prepared to return to the Commission for status updates as the plan is implemented and adoption of the plan would place the association in compliance with statutory requirements.

Mr. Su stated the Division recognizes the extent of work required and the role of community involvement. Mr. Su stated the Division does not seek to impose additional costs on the association, including attorney fees, and emphasized the goal is to assist the community in getting back on track, including implementing the funding plan.

Mr. Hastings stated the association is very appreciative of the Division and the Commission and recognized their efforts in supporting the association to get back on track. Mr. Hastings stated this cooperation reflects a positive outcome for the community.

The Commissioners questioned Mr. Hastings and Mr. Su about the funding plan and the proposed recommendations.

Mr. Hastings and Mr. Su answered the Commissioners' questions.

The Commissioners deliberated on what action to take against the association.

Motion

Commissioner Lighthart moved to approve the association's funding plan and for the association to come back for a status check at the December 2026 meeting. Commissioner Lighthart stated the items for the status check would include the most recent financial statements with information about any delinquencies, a reserve funding update, copy of the 2027 budget, comparison of the current status versus the funding plan, six hours of board member education completed, copies of the audited financials for 2025, all items due 10 business days before the December 2026 meeting, and noted the Commission is not imposing any fees and costs on the association. Seconded by Commissioner Heydarian. Motion carried.

6) Commission/ Division Business

A) Discussion Regarding Administrator's Report

Mr. Sharath Chandra provided updates on Division initiatives, including progress on a technology modernization project, which involves upgrades to the licensing system and development of an HOA portal. Mr. Chandra stated the project is funded through legislative appropriations and technology fees, is supported by a retained consultant, and is anticipated to roll out in phases beginning in late summer or early fall of next year.

Mr. Chandra provided a legislative update and stated the Division is preparing bill draft requests for the next legislative session, including a proposal for real estate self-funding and potential statutory changes related to common-interest communities. Mr. Chandra stated areas under review include alternative dispute resolution options, reserve study statutes, and methods to promote compliance while minimizing financial impacts on homeowners.

Commissioner Morse Jarman asked about the proposed real estate self-funding model.

Mr. Chandra explained the proposal would allow the Division to retain licensing revenues to directly support operations, technology, and services, aligning the Division with other self-funded licensing agencies and improving long-term financial stability.

Chairman Tomasso asked whether national resources exist for comparing HOA statutes across states.

Mr. Chandra stated no formal national regulatory network exists, noted Nevada is a leader in this area, and added other states have looked to Nevada as a model. Mr. Chandra also discussed

concerns related to insurance availability and the importance of maintaining stable, marketable communities.

Chairman Tomasso expressed homeowner associations benefit cities by assuming responsibility for streets and infrastructure, reducing municipal costs, and noted Nevada's system continues to draw interest from other jurisdictions.

Commissioner Morse Jarman emphasized the importance of public outreach and visibility, suggesting public relations efforts should support education, stakeholder engagement, and legislative support.

Mr. Chandra acknowledged the need for improved messaging and outreach and stated the Division is financially stable and does not seek fee increases at this time.

Commissioner Lighthart asked about auditor staffing and federal funding impacts.

Mr. Chandra stated the Division plans to request an additional auditor position in the next legislative session and explained the new technology will support enhanced reporting and oversight. Mr. Chandra stated the Division has declined federal grant funding due to compliance burdens and confirmed the Division is not currently accepting any federal grants.

B) Discussion Regarding Licensee and Board Member Discipline.

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

C) Discussion regarding Ombudsman's summary report.

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

Ms. Merriweather introduced Chris Hooper as the Division's new auditor to the Commission.

D) Discussion Regarding Education and Information Officer Report.

Noelle Garcia presented this report which was provided to the Commission in the meeting packet.

Commissioner Morse Jarman commended the Division for its course's, noting participation was a valuable learning experience that helped prepare her for the current position and encouraged the Division to continue its good work.

The Commissioners inquired of Ms. Merriweather and Ms. Garcia regarding the education section's outreach efforts to the public.

Ms. Merriweather explained the Division offers classes in three ways: in-person at the Division, virtually, and by having the training officer visit an association to provide instruction to the board and homeowners. Ms. Merriweather noted the initial introduction to the Ombudsman's

office often serves as the first point of contact, with the goal of encouraging participants to access additional classes beyond those offered directly to their associations.

E) Discussion Regarding CIC Compliance Caseload Report and Summary.

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

Commissioner Heydarian asked for clarification on the types of complaints received by the Division alleging unprofessional conduct under NAC 116A.355.

Mr. Wheaton stated many complaints arise from misunderstandings of a community manager's contractual duties, including expectations regarding responsiveness, cooperation, and the scope of required communication, as well as perceptions managers lack knowledge of statutes or their application.

Commissioner Lighthart asked about the most common issues reported to the Division and whether certain matters require additional review or education.

Mr. Wheaton stated the Division frequently redirects improperly filed complaints to the appropriate section and works with filers to explain filing requirements and provide education or guidance on refileing when necessary.

Ms. Lighthart asked whether confusion exists regarding how associations provide documents to homeowners.

Mr. Wheaton stated many unit owners misunderstand the law and view community managers as responsible for addressing all issues or filing complaints on their behalf. Mr. Wheaton stated the Division reviews each complaint to identify the underlying issue and provide clearer guidance and assistance to improve understanding and compliance.

F) Discussion Regarding Commissioner's Speaking Engagement Requests.

Mr. Chandra stated the agenda item serves as a placeholder for Commissioner speaking engagements and stated the Division provides guidance in such situations. Mr. Chandra stated public speaking generally requires a disclaimer unless the Commission authorizes representation on its behalf and noted a request for Commissioner Heydarian to participate in a continuing education class.

Commissioner Heydarian stated the request specifically sought participation as a member of the Commission, making Commission discussion appropriate. Commissioner Heydarian stated the request was broad and expressed willingness to narrow the topic to general areas reviewed by the Commission, such as reserve study requirements, to ensure consistency with Commission positions.

Ms. Bordelove stated, as a matter of law, any Commissioner speaking on behalf of the Commission must receive prior Commission approval, as individual Commissioners lack

authority to bind the Commission. Ms. Bordelove stated Commission action and review must occur during a public meeting and not outside the meeting process.

Discussion focused on limiting any presentation to high-level, general information rather than detailed Commission deliberations, with an emphasis on narrowing topics for clarity and comfort.

Mr. Chandra stated developing a focused draft would assist the Commission in determining acceptable subject matter and streamline review.

Chairman Tomasso stated such requests are unusual and suggested preparing a draft and conducting a dry run, with the goal of creating reference material for future use.

Commissioner Morse Jarman stated a summary of approved talking points could promote consistency for future Commissioners.

Mr. Chandra stated any approval would apply only to Commissioner Heydarian's request and would not constitute blanket authorization for other Commissioners, with separate Commission approval required for any future requests.

G) For possible action: Discussion, nomination and election of officers for FY '26 pursuant to NRS 116.610.

Chairman Tomasso moved to nominate:
Commissioner Lighthart – Chair
Commissioner Heydarian – Vice Chair
Commissioner Gilliam – Secretary

Commissioner Morse Jarman offered to nominate:
Commissioner Heydarian – Chair
Commissioner Lighthart – Vice Chair
Commissioner Gilliam – Secretary

The Commissioners deliberated on the nominees.

Chairman Tomasso amended her motion to nominate:
Commissioner Heydarian – Chair
Commissioner Lighthart – Vice Chair
Commissioner Gilliam – Secretary

Seconded by Commissioner Morse Jarman. Motion carried.

H) Discussion Regarding the State of Nevada Controller's Office Debt Collection Process for Fines Issued by the Commission

Commissioner Morse Jarman stated no update was available for this meeting and an update would be provided at the March 2026 meeting.

I) For Possible Action: Discussion and Decision to Approve Minutes for the June 10, 2025, Commission Meetings.

Commissioner Morse Jarman moved to approve the meeting minutes from the June 10, 2025, meeting. Seconded by Commissioner Heydarian. Motion carried. 4-0 Commissioner Gillam was absent from that meeting and did not vote.

7) FOR POSSIBLE ACTION DISCUSSION AND DECISION ON DATE, TIME, PLACE AND AGENDA ITEMS FOR UPCOMING MEETING(S) INCLUDING SETTING THE MEETING CALENDAR FOR 2026.

- March 10-12, 2026
- June 9-11, 2026
- September 8-10, 2026
- December 8-10, 2026

8) Public Comment

Jan Porter stated in response to the Chairwoman's question regarding available resources, several organizations provide relevant information. Jan Porter noted, in addition to ARELLO, which addresses education for real estate licensees and brokers, and Community Associations Institute (CAI), the National Conference of State Legislatures provides policy-related resources. Jan Porter explained that the National Conference of State Legislatures strongly supports states' rights in matters related to homeowners' associations and supports the Uniform Common Interest Ownership Act (UCIOA). Jan Porter further stated the organization offers multiple reports and resources provide nationwide information through appropriate channels and presents information in a more unbiased and nonpartisan manner.

Will Bradley stated he is a former board member and a current homeowner at Sky Las Vegas Condominiums, a 45-story building with 409 units located on the Las Vegas Strip. Will Bradley stated his past board experience raised several concerns.

Will Bradley stated access to information is a major concern and referenced discussion during the meeting regarding permission for Commissioners to speak publicly. Will Bradley expressed the opinion that individually appointed Commissioners, similar to individually elected legislators, should feel comfortable speaking publicly as individuals without disclaimers, noting such statements are understood to reflect personal experience and opinion rather than official Commission positions. Will Bradley encouraged Commissioners to speak more freely and openly to provide insight into Commissioner perspectives, emphasizing the importance of transparency, public trust, and the Commission's role in preventing corruption and promoting good governance in homeowners' associations.

Will Bradley stated support for the Division's auditor gaining forensic experience and urged the Commission to consider assigning forensic audits to homeowners' associations that receive construction defect lawsuit settlements. Will Bradley noted large settlements, such as an \$11 million settlement received by the Sky Las Vegas Condominiums, can create opportunities for misconduct, particularly when volunteer board members award no-bid contracts.

Will Bradley addressed NRS 116.3113 regarding insurance requirements and stated concern the statute does not require earthquake insurance. Will Bradley noted Nevada ranks third among states for earthquake activity and referenced information from the University of Nevada, Reno indicating frequent seismic activity. Will Bradley stated the Sky Las Vegas Condominiums board elected not to obtain earthquake insurance and expressed concern that a significant earthquake could result in condemnation and substantial loss of property value for unit owners. Will Bradley urged the Commission to encourage the Legislature to revise the statute to require earthquake insurance for high-rise buildings.

Will Bradley expressed appreciation for the Commission's use of predictable meeting dates. Will Bradley stated predictable scheduling benefits public participation and noted full attendance by all Commissioners is not required to conduct a public forum. Will Bradley concluded by thanking the Commission for considering the public when setting meeting schedules.

9) FOR POSSIBLE ACTION: ADJOURNMENT

Meeting recessed at 12:46 PM.

Minutes prepared by: _____
Maria Gallo
Commission Coordinator

To Be Approved By Commission