

1                   BEFORE THE COMMISSION FOR COMMON-INTEREST  
2                   COMMUNITIES AND CONDOMINIUM HOTELS  
3                   STATE OF NEVADA

4 Sharath Chandra, Administrator,  
5 Real Estate Division, Department of  
6 Business & Industry, State of Nevada,  
7                   Petitioner,

8 vs.

9 Sierra Ranchos Property Owners  
10 Association, Sabrina Brin, Tony Boggs, and  
11 Greg Mayer,

12                   Respondents.

Case No. 2018-1663

13                   **STIPULATION AND ORDER**

14                   **FOR PARTIAL SETTLEMENT OF DISCIPLINARY ACTION**

15           Petitioner, Real Estate Division, Department of Business & Industry, State of  
16 Nevada (the "Division") through its Administrator, Sharath Chandra, and  
17 RESPONDENT SIERRA RANCHOS PROPERTY OWNERS ASSOCIATION enter into  
18 this STIPULATION AND ORDER FOR PARTIAL SETTLEMENT OF DISCIPLINARY  
19 ACTION ("Stipulation and Order") as follows.

20                   **JURISDICTION AND NOTICE**

21           1.     During the relevant times mentioned in this complaint, RESPONDENTS  
22 SABRINA BRIN, TONY BOGGS, AND GREG MAYER served as board members and/or  
23 officers of SIERRA RANCHOS PROPERTY OWNERS ASSOCIATION (the  
24 "Association"), a common-interest community located in Reno, Nevada.

25           2.     RESPONDENTS are subject to the provisions of Chapter 116 of each the  
26 Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC")  
27 (hereinafter collectively referred to as "NRS 116") and are subject to the jurisdiction of  
28 the Division, and the Commission for Common-Interest Communities pursuant to the  
provisions of NRS 116.750.

1                                   **FACTS ALLEGED IN THE COMPLAINT**

2           3.     **SIERRA RANCHOS PROPERTY OWNERS ASSOCIATION** (the  
3 "Association"), is a self-managed, planned community consisting of 197 units.

4           4.     The Association has an annual budget of \$50,880.

5           5.     The Association submitted checks to the Division with signatures from a  
6 prior board member, Roger Seifert, and the Association's bookkeeper, Joy Marvin.

7           6.     The Division initiated an investigation against the Association and its board  
8 members.

9           7.     Joy Marvin signed over 160 Association checks from June 2016 to June 2018  
10 and was paid \$425 a month.

11          8.     Mr. Seifert agreed to step down from the board to resolve a disciplinary case  
12 before this Commission in June 2016, but he continued to sign checks through March  
13 2018.

14          9.     The Association's attorney responded to the Division saying:

15               The Association is self-managed and was unaware of the limitations and  
16 requirements regarding the signing of checks.

17          10.    The Association's records show that the Association's bookkeeper performed  
18 the services of a community manager, including without limitation, by signing  
19 Association checks, preparing financial statements and delinquency reports,  
20 participating in board meetings, preparing resale packages, and being the custodian of  
21 the Association's records.

22          11.    The Association transferred all of its reserve funds totaling \$15,000 to its  
23 operating account in October and November 2017.

24          12.    The Association imposed a special reserve assessment in 2018 and deposited  
25 the funds in its operating account.

26          13.    In 2019, the Association put \$10,672.15 in its reserve account.

27          14.    The Association employed a homeowner, Don Lingle, to perform road  
28 grading services and maintenance, but he is not a Nevada contractor licensed to provide



1 those services.

2 15. Mr. Lingle was paid over \$90,000 in two years from June 2016 to June 2018.

3 16. The Association's financial statements do not comply with NAC 116.451.

4 **VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT**

5 17. RESPONDENTS violated NRS 116.31153(2) by allowing a former board  
6 member and the Association's bookkeeper to sign over 160 Association checks.

7 18. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(3)) by  
8 failing to act in good faith and in the best interests of the Association when they  
9 committed multiple acts or omissions which amount to incompetence, negligence or gross  
10 negligence by failing to comply with Nevada law.

11 19. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(a)) by  
12 failing to act in good faith and in the best interests of the Association when they failed to  
13 keep informed of laws, regulations and developments relating to common-interest  
14 communities.

15 20. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(d)) by  
16 failing to act in good faith and in the best interests of the Association when they failed to  
17 obtain bids from reputable service providers who possess the proper licensing before  
18 purchasing any service for use by the Association.

19 21. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(e)) by  
20 failing to act in good faith and in the best interests of the Association when they failed to  
21 consult with appropriate professionals as necessary before making any major decision  
22 affecting the Association or the common elements.

23 22. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(g)) by  
24 failing to act in good faith and in the best interests of the Association by failing to  
25 maintain current, accurate and properly documented financial records.

26 23. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(j)) by  
27 failing to act in good faith and in the best interests of the Association by failing to prepare  
28 interim and annual financial statements that will allow the Division, the executive board,



1 the units' owners to determine whether the financial position of the association is fairly  
2 presented in accordance with the provisions of NAC 116.451.

### 3 DISCIPLINE AUTHORIZED

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

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

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

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

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

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

17 6. Require the BOARD MEMBERS to hire a community manager who holds a  
18 certificate.

19 7. Require RESPONDENTS to pay the costs of the proceedings incurred by the  
20 Division, including, without limitation, the cost of the investigation and reasonable  
21 attorney's fees.

22 8. Take whatever further disciplinary action as the Commission deems  
23 appropriate.

24 The Commission may order one or any combination of the discipline described  
25 above. If the Commission finds that the RESPONDENTS knowingly and willfully  
26 violated the provisions of NRS or NAC 116, the Commission may order that  
27 RESPONDENTS be personally liable for all fines and costs imposed.  
28

## SETTLEMENT

1. The ASSOCIATION shall hold an election within 90 days with all board seats up for election.

2. The ASSOCIATION shall hire and maintain the services of a community manager for no less than 5 years from the date of this Order and Stipulation; but in no event may this requirement terminate prior to the ASSOCIATION'S reserve account being adequately funded to be determined by the Division.

3. The ASSOCIATION shall provide a funding plan for reserves to the Division within 180 days.

4. The ASSOCIATION shall not hire or otherwise provide any compensation to homeowners or anyone else unless they are properly licensed to perform such service for the ASSOCIATION. This includes, without limitation, bookkeeping and road maintenance services.

5. For the next two years from the date this Order and Stipulation is signed by the Commission, each board member shall take 6 hours of education offered by the Division within 1 year of becoming a board member. The Division may, in its discretion, extend the time required to obtain the education required by this subsection.

6. The ASSOCIATION shall not allow any non-board member to make motions at meetings of the board or otherwise participate in the board taking action at a meeting.

7. The ASSOCIATION shall place money it receives as a result of the settlement of Case No. 2018-1488 (Joy Marvin) in its reserve account.

8. The ASSOCIATION shall not allow any non-board member or non-officer to sign ASSOCIATION checks except for its community manager pursuant NRS 116.31153.

9. The Division may treat any default of this settlement as a violation of a Commission order pursuant to NRS 116.785.

10. RESPONDENT and the Division agree that by entering into this Stipulation and Order, the Division does not concede any defense or mitigation RESPONDENT may assert and that once this Stipulation and Order is approved and fully performed, the



1 Division will close its file in this matter.

2 11. RESPONDENT agrees that if the terms and conditions of this Stipulation  
3 and Order are not met, the Division may, at its option, rescind this Stipulation and Order  
4 and proceed with prosecuting the Complaint before the Commission.

5 12. RESPONDENT agrees and understands that by entering into this  
6 Stipulation and Order, RESPONDENT is waiving its right to a hearing at which  
7 RESPONDENT may present evidence in its defense, its right to a written decision on the  
8 merits of the Complaint, its right to reconsideration and/or rehearing, appeal and/or  
9 judicial review, and all other rights which may be accorded by the Nevada Administrative  
10 Procedure Act, the Nevada Uniform Common-Interest Ownership Act and accompanying  
11 regulations, and the federal and state constitutions. RESPONDENT understands that  
12 this Stipulation and Order and other documentation may be subject to public records laws.  
13 The Commission members who review this matter for approval of this Stipulation and  
14 Order may be the same members who ultimately hear, consider and decide the Complaint  
15 if this Stipulation and Order is either not approved by the Commission or is not timely  
16 performed by RESPONDENT. RESPONDENT fully understands that it has the right to  
17 be represented by legal counsel in this matter at its own expense.

18 13. Each party shall bear its own attorney's fees and costs.

19 14. Stipulation and Order is Not Evidence. Neither this Stipulation and Order  
20 nor any statements made concerning this Stipulation and Order may be discussed or  
21 introduced into evidence at any hearing on the Complaint, if the Division must ultimately  
22 present its case based on the Complaint filed in this matter.

23 15. Release. In consideration of execution of this Stipulation and Order,  
24 RESPONDENT for itself, its heirs, executors, administrators, successors, and assigns,  
25 hereby releases, remises, and forever discharges the State of Nevada, the Department of  
26 Business and Industry and the Division, and each of its respective members, agents,  
27 employees and counsel in their individual and representative capacities, from any and all  
28 manner of actions, causes of action, suits, debts, judgments, executions, claims, and



1 demands whatsoever, known and unknown, in law or equity, that the RESPONDENT  
2 ever had, now has, may have, or claim to have, against any or all of the persons or entities  
3 named in this section, arising out of or by reason of the Division's investigation, this  
4 disciplinary action, and all other matters relating thereto.

5 16. Indemnification. RESPONDENT hereby indemnifies and holds harmless  
6 the State of Nevada, the Department of Business and Industry, the Division, and each of  
7 their respective members, agents, employees and counsel in their individual and  
8 representative capacities against any and all claims, suits, and actions brought against  
9 said persons and/or entities by reason of the Division's investigation, this disciplinary  
10 action and all other matters relating thereto, and against any and all expenses, damages,  
11 and costs, including court costs and attorney fees, which may be sustained by the persons  
12 and/or entities named in this section as a result of said claims, suits, and actions.

13 17. RESPONDENT has signed and dated this Stipulation and Order only after  
14 reading and understanding all terms herein.

15 DATED: \_\_\_\_\_, 2019.

Real Estate Division,  
Department of Business & Industry,  
State of Nevada

17  
18 By: \_\_\_\_\_  
Sharath Chandra, Administrator

19  
20 DATED: Sept 11, 2019.

Sierra Ranchos Property Owners  
Association

21  
22 By: Loren Pierce

23 Name: Loren Pierce

24 Title: President, SRPOA

25 ...

26 ...

27 ...

1  
2 **ORDER**

3 **IT IS ORDERED** that the foregoing Stipulation and Order for Settlement of  
4 Disciplinary Action is approved in full.

5 Dated: September \_\_\_\_, 2019.

6 Commission for Common-Interest  
7 Communities and Condominium Hotels,  
8 Department of Business & Industry,  
9 State of Nevada

10 By: \_\_\_\_\_  
Michael Burke, Chairman

11 Submitted by:

12 AARON D. FORD, Attorney General

13 By: \_\_\_\_\_  
14 Michelle D. Briggs  
15 Senior Deputy Attorney General  
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17 Las Vegas, Nevada 89101  
18 Attorneys for Real Estate Division

19 By: \_\_\_\_\_  
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24 Attorney for Respondent