State of Nevada
Department of Business & Industry
Real Estate Division

Common-Interest Communities
and Condominium Hotels Program

Relationships, Bringing Harmony to the Association

Relationships, Bringing Harmony to the Association

Disclaimer

This is a general education class based on NRS 116 and related laws and regulations. It is not intended to provide legal advice. The instructor cannot comment on specific cases. If you feel that the associations governing documents or NRS 116 statutes have been violated you can file a claim at the NV Real Estate Division

Learning Objectives

- Upon completion of this class, participants will have a basic understanding of…

  Statutory requirements related to the “best interest of the association”

  How following the Golden Rule can improve your Association

  Ways to improve the HOA

Golden Rule

Do unto others as you would have them do unto you

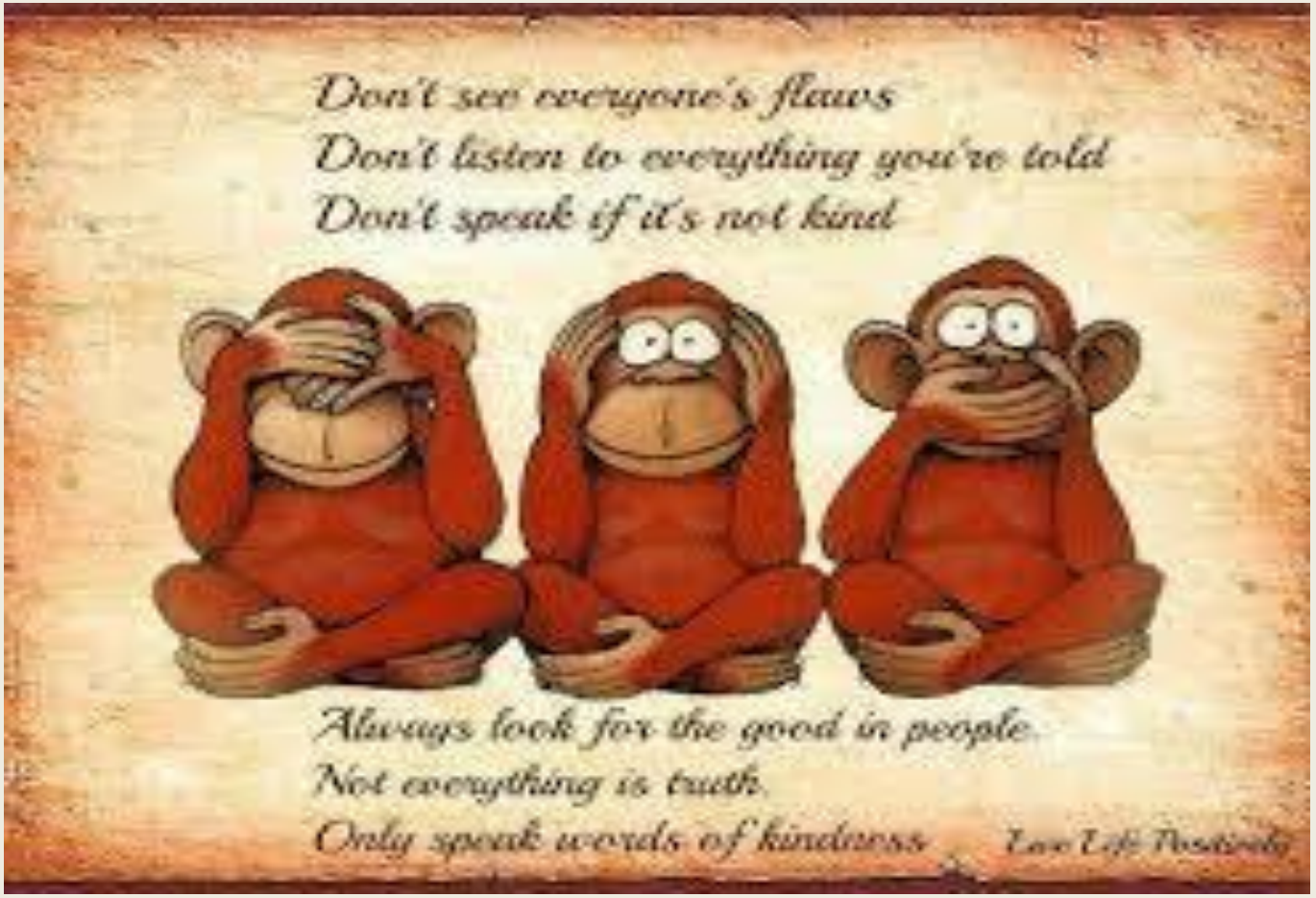
Association Golden Rule

BEST INTEREST OF ASSOCIATION

Association Golden Rule

NOT FOR THE BEST INTEREST OF BOARD MEMBER OR COMMUNITY MANAGER

What the monkeys know!



How some monkeys act!

NRS116 Speaks

Officers and members of executive board

The officers and members of the executive board are fiduciaries and shall act on an informed basis, in good faith and in the honest belief that their actions are in the best interest of the association. (NRS116.3103)

NRS116 Speaks

Community Manager

A community manager shall:

Act as a fiduciary in any client relationship; and

(b) Exercise ordinary and reasonable care in the performance of duties.

Under the direction of a client, uniformly enforce the provisions of the governing documents of the association.

Compliance with all applicable laws and regulations governing financial records.

Primary Goals

- Protect, maintain and enhance the association's assets (common elements)
- Manage the business of the association in a fiscally sound and ethical manner
- Ensure compliance with the governing documents and NRS/NAC 116/116A

Trouble in River City

- Communication
  - Notices
  - Agendas
  - Meetings
- Requests from Unit Owners
  - Records
- Perception
  - Best Business Judgement
  - Conflict of Interest

Board Responsibilities

Communication NRS116 Expectations

Notices to Unit Owners

NRS 116.31068 Notice to units' owners. "HOW" to deliver

- An association shall deliver any notice required to be given by the association under this chapter to any mailing or electronic mail address a unit's owner designates Hand delivery, United States mail, postage paid, or commercially reasonable delivery service to the mailing address of each unit;
- (c) Electronic means, if the unit's owner has given the association an electronic mail address; or
- Any other method reasonably calculated to provide notice to the unit's owner.

Official Publication

"Official publication" means:

(1) An official website;

(2) An official newsletter or other similar publication that is circulated to each unit's owner; or

(3) An official bulletin board that is available to each unit's owner.

When–Changes to governing documents

NRS 116.12065 Notice of changes to governing documents

If any change is made to the governing documents of an association, the secretary or other officer specified in the bylaws of the association shall, **within 30 days** after the change is made, prepare and cause to be hand-delivered or sent prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit's owner, a copy of the change that was made.

When–Meeting of unit owners

NRS 116.3108 Meetings of units' owners of association;

Not less than **15 days** or more **than 60 days** in advance of any meeting of the units' owners, the secretary or other officer specified in the bylaws shall cause notice of the meeting to be given to the units' owners in the manner set forth in NRS 116.31068. The notice of the meeting must state the time and place of the meeting and include a copy of the agenda for the meeting

When–Meetings of the executive board

NRS 116.31083 Meetings of executive board;

Except in an emergency or unless the bylaws of an association require a longer period of notice, the secretary or other officer specified in the bylaws of the association shall, not less than **10 days before the date of a meeting** of the executive board, cause notice of the meeting to be given to the units' owners

"CONTENT" of Notice –NRS 116.31083 Notice to units' owners of executive board meeting

The notice of a meeting of the executive board must state the time and place of the meeting and include a copy of the agenda for the meeting or the date on which and the **locations** where **copies of the agenda** may be conveniently obtained by the units' owners.

When–Emergency meetings

Emergency

- In an emergency, the secretary or other officer specified in the bylaws of the association shall, <u>if practicable</u>, cause notice of the meeting to be sent prepaid by United States mail to the mailing address of each unit within the common-interest community.

- If delivery of the notice in this manner is impracticable, the notice must be hand-delivered to each unit within the common-interest community or <u>**posted** in a prominent place</u> or <u>places within the common elements</u> of the association.

"CONTENT" NRS 116.31083 Notice to units' owners.

The notice must include notification of the right of a unit's owner to:

- Have a copy of the audio recording, the minutes or a summary of the minutes of the meeting provided to the unit's owner upon request, in electronic format at no charge to the unit's owner
- Speak to the association or executive board, unless the executive board is meeting in executive session

Not always perfect!

Arrival of Notices

Sent to wrong address (local vs out of state)
Lost or delayed in the mail
Untimely
Lack of posting in common areas
Not given to tenants or renters
Members with no computers
Poorly written
Unit owners do not know where to find information

Road to Success

Survey unit owners asking best way to contact
Additional notices put within community
List notice on website
Provide maps to meeting area
Setup community “blast email listing”
Double check that addresses are all current
Resource Committee-aid unit owners with questions about meetings

Agenda's

Agenda

The agenda for a meeting of the units' owners must consist of:

(a) A clear and complete statement of the topics scheduled to be considered during the meeting, including, without limitation, any proposed amendment to the declaration or bylaws, any fees or assessments to be imposed or increased by the association, any budgetary changes and any proposal to remove an officer of the association or member of the executive board.

NRS 116.3108 Meetings of units' owners of association

Agenda

The agenda for a meeting of the units' owners must consist of:

(b) A list describing the items on which action may be taken and clearly denoting that action may be taken on those items.

In an emergency, the units' owners may take action on an item which is not listed on the agenda as an item on which action may be taken.

NRS 116.3108 Meetings of units' owners of association

Agenda

The agenda for a meeting of the units' owners must consist of:

(c) A period devoted to comments by units' owners regarding any matter affecting the common-interest community or the association and discussion of those comments.

Except in emergencies, no action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken

REAL ESTATE DIVISION ADVISORY OPINION

Executive Session Agenda

QUESTION: How detailed do executive board agendas need to be when the board meets in executive session?

All associations are required to follow the procedures set forth in **their governing documents**, but at a minimum, the agenda for executive session meetings must include a clear and complete statement of the topics and action to be taken such that it is clear how the item is entitled to be discussed and decided in executive session.

Associations may not include confidential information in the executive session agenda, but each executive session agenda item must clearly state how each item for discussion fits in the limited categories listed in NRS 116.31085(3).

Basic Agenda

- **An agenda according to Robert's (RONR(10th ed.),p.342-351), with a few comments.**

- **Reading and approval of the minutes.**
  (Motion to approve is not necessary. The minutes are either approved as read or as corrected, but without a vote.)
- **Reports of Officers, Boards, Standing Committees.**
  (This includes correspondence, treasurer's report, etc. Treasurer's report is never adopted or voted upon unless it has been audited.)
- **Reports of Special Committees.**
  (Each report could conclude with a motion which the assembly must address.)
- **Special Orders.**
  (Any motion which was adopted as a Special Order which guarantees that the motion will be dealt with before the meeting is adjourned.)
- **Unfinished Business and General Orders.**
  (Any issue which was not concluded, was postponed, or was tabled during the prior meeting. The secretary's minutes should inform the chair which items to add to this section. Only a clueless chair would ask the assembly, 'Is there any unfinished business?')
- **New Business.**
  (This is when the chair and the parliamentarian can be surprised by the sequence of events. It is best to always anticipate issues the membership may present, or else be embarrassed by the complications.
  It is at this time that announcements, educational programs, and speakers are introduced.)
- **Adjournment.**
  (A motion to adjourn may be made at any time of the meeting. The assembly should never be forced to meet longer than it is willing to meet.)

- http://www.roberts-rules.com/parl02.htm

Not always perfect!

Biggest complaint!

A clear and complete statement of the topics.

Listing one word as an agenda item is not considered a clear and complete statement of topics

Unit owners should have a clear understanding what is to be discussed at any meeting

Agenda Example

BOARD MEETING AGENDA

1. **Call to Order**

2. **Open Forum**. During open forum, each attendee may address the board for up to three minutes. A director or manager may briefly respond to statements made or questions posed. Speakers must observe rules of decorum and not engage in other disruptive behavior. If a speaker is in the middle of a sentence when time is called, he/she may finish their thought before sitting down. The time guidelines ensure that others will have an opportunity to speak. Speakers may not allot their time to others. All persons must follow the Meeting Rules listed at the bottom of this agenda.

3. **Approval of Minutes**

4. **Reports**
   a. Treasurer's Report
   b. Committee Reports
      -Architectural Committee
      -Landscape Committee
      -Golf Committee
   c. Manager's Report
5. **Unfinished Business**
   a. Balcony repairs
   b. Installation of new security gates

6. **New Business**
   a. Tree trimming (slope areas)
   b. Schedule for painting of buildings 3, 4 and 5
   c. Approve Liens on delinquent owners
   d. Review and approve next year's budget
   e. Possible change in board officers

7. **Adjourn to Executive Session**
   a. Member disciplinary hearing
   b. Personnel issues
   c. Roof repair litigation
   d. Landscape proposals
   e. Foreclosure authorizations

Read more: Board Agenda http://www.davis-stirling.com/MainIndex/BoardAgenda/tabid/1304/Default.aspx#ixzz3cU0Xv8Hm
from Davis-Stirling.com by Adams [illegible] PLC. If your association needs legal assistance, call us at (800) 464-2817.

Road to Success

Complete sentences, no doubt to subject matter

Attach additional information

List topics as line items

List any required actions

Add time benchmarks

Propose solutions

Think of your audience!

Using Stacked Agenda

Example: Use it to rearrange items during a meeting….

STACKED AGENDA: Below is an agenda of all items scheduled to be considered. Unless otherwise stated, items **may be taken out of the order** presented on the agenda at the discretion of the Chairperson. Items may also be combined for consideration, pulled or removed from the agenda at any time. Persons who have business before the Commission are solely responsible to see that they are present when their business is conducted. Public comment **may be limited to three minutes per person** at the discretion of the Chairperson. The Commission may only take action on those items denoted as potential action items. Prior to the commencement and conclusion of a contested case or a quasi judicial proceeding that may affect the due process rights of an individual the Commission may refuse to consider public comment (NRS 233B.126).

Attending Meetings

Speaking at meetings

Unit Owners Meeting

A period devoted to comments by units' owners regarding any matter affecting the common-interest community or the association and discussion of those comments.

Speaking at meetings

<u>Executive Board Meeting</u>

Speak to the association or executive board, unless the executive board is meeting in executive session.

A period required to be devoted to comments by the units' owners and discussion of those comments must be scheduled for both the beginning and the end of each meeting.

NRS 116.31083

Speaking at meetings

Executive Board Meeting

During the period devoted to comments by the units' owners and discussion of those comments at the beginning of each meeting, comments by the units' owners and discussion of those comments must be limited to items listed on the agenda.

The executive board may establish reasonable limitations on materials, remarks or other information to be included in the minutes of its meetings.

NRS 116.31083

Decorum in meeting

- Welcome audience
- Advise audience of time constraints on comments
- Request person speaking state full name and possibly HOA if sub-association
- Allow speaker to complete comments
- Avoid negative body language

Decorum in meeting

- Confine remarks to the topic listed on agenda
- Do not attack another's motives
- Address remarks to the chair
- Avoid making the discussion personal
- Do not attack speaker
- Do not disrupt the meeting

Not always perfect!

Problematic Meetings

- Disregard for time limits
- Disregard for respect for speaker
- Unit Owners making random comments from audience
- Board members non-verbal gestures
- Off topic
- Board members disagreeing during open forum
- Name calling, threats, harassment

Road to Success

Brief reminder to audience prior to formal opening of meeting
Use a gavel if any personal attacks “Out of order”
Use a timer
Stop the meeting if necessary
Stay calm and provide direction
Create committee’s for hot issues
Send out surveys
Create a question board
Ethic policy for meetings
Meeting decorum on website

RECORDS REQUESTS

The executive board of an association shall, upon the written request of a unit's owner, make available the books, records and other papers of the association for review at the business office of the association or a designated business location not to exceed 60 miles from the physical location of the common-interest community and during the regular working hours of the association

NRS 116.31175 Maintenance and availability of books, records and other papers of association

Including, without limitation:

(a) The financial statement of the association;

(b) The budgets of the association

(c) The study of the reserves of the association; and

(d) All contracts to which the association is a party and all records filed with a court relating to a civil or criminal action to which the association is a party.

NRS 116.31175 Maintenance and availability of books, records and other papers of association

Road to Success

Create a policy on how to request records

Create a form for requesting records

Provide a list of information that can be requested

Contact person for questions

Perception
How does it look?

Power of executive board to act on behalf of association;

Members and officers are fiduciaries;

Except as otherwise provided in the declaration, the bylaws, this section or other provisions of this chapter, the executive board acts on behalf of the association.

In the performance of their duties, the officers and members of the executive board are fiduciaries and shall act on an informed basis, in good faith and in the honest belief that their actions are in the best interest of the association

So how does it look when….

No bids are gotten for a project?

New board member gives the community manager a gift?

Board members meet together at someone's house?

No response from community manager or board when correspondence sent into the board.

A board wants to suddenly start conduct some business through emails, which can be conducted at a meeting?

Business Judgement

Are required to exercise the ordinary and reasonable care of officers and directors of a nonprofit corporation, subject to the business-judgment rule;

Compensation

NRS 116.31185 Prohibition against certain personnel soliciting or accepting compensation, gratuity or remuneration under certain circumstances.

A member of an executive board, an officer of an association or a community manager shall not solicit or accept any form of compensation, gratuity or other remuneration that:

(a) Would improperly influence or <u>would appear</u> to a reasonable person to improperly influence the decisions made by those persons

NRS 116.31185 Prohibition against certain personnel soliciting or accepting compensation, gratuity or remuneration under certain circumstances.

NRS 116.31189 Bribery of community manager or member of executive board; penalties; exceptions

A community manager or member of the executive board who asks for or receives, directly or indirectly, any compensation, gratuity or reward, or any promise thereof, upon an agreement or understanding that his or her vote, opinion or action upon any matter then pending or which may be brought before him or her in his or her capacity as a community manager or member of the executive board, will be influenced thereby, is guilty of a category D felony

A person who offers or gives, directly or indirectly, any compensation, gratuity or reward, or any promise thereof, upon an agreement or understanding that the vote, opinion or action of a community manager or member of the executive board upon any matter then pending or which may be brought before the community manager or member of the executive board in his or her capacity as a community manager or member of the executive board will be influenced thereby, is guilty of a category D felony

Gifts Gifts–Executive Board

NAC 116.480 Restriction on and statements by members of executive boards and officers of associations. (NRS 116.31185, 116.615)

1. No member of an executive board or officer of an association shall receive, in the aggregate, any gift, incentive, gratuity, reward or other item of in any calendar year **which exceeds the sum of $100**.

2. On or before the annual distribution to each unit's owner of the budgets of the association, each member of an executive board and officer of an association shall deliver to the executive board for inclusion in the annual distribution of the budgets a statement of any gifts, incentives, gratuities, rewards or other items of value which **exceed $15 received**.

GIFTS GIFTS GIFTS–CAM

NAC 116.482 Restriction on and statements by community managers and employees of community managers. (NRS 116.31185, 116.615)

1. No community manager or employee of the community manager shall receive, in the aggregate, any gift, incentive, gratuity, reward or other item of in any calendar year which **exceeds the sum of $500**.

2. On or before the date of renewal of a license for a community manager, each community manager shall disclose to the Division, in the renewal form, a statement of any gifts, incentives, gratuities, rewards or other items of **value which exceed $15** received during each of the years following the last renewal.

Conflict of Interest

Officers and members of the executive board:

Are subject to conflict of interest rules governing the officers and directors of a nonprofit corporation organized under the law of this State.

NRS 116.3103 Power of executive board to act on behalf of association

Conflict of Interest–Compensation

A member of an executive board, an officer of an association or a community manager shall not solicit or accept any form of compensation, gratuity or other remuneration that:

Would result or would appear to a reasonable person to result in a conflict of interest for those persons.

NRS 116.31185 Prohibition against certain personnel soliciting or accepting compensation, gratuity or remuneration under certain circumstances.

Nominated Candidate

Each person who is nominated as a candidate for membership on the executive board must:

Make a good faith effort to **disclose** any financial, business, professional or personal relationship or interest that would result or **would appear** to a reasonable person to result in a potential conflict of interest for the candidate if the candidate were to be elected to serve as a member of the executive board;

Hearings on alleged violations

The person is entitled to due process, must include, without limitation, the right to counsel, the right to present witnesses and the right to present information relating to any conflict of interest of any member of the hearing panel

Voting by member of executive board

A member of an executive board who stands to gain any personal profit or compensation of any kind from a matter before the executive board shall:

(a) Disclose the matter to the executive board; and

(b) Abstain from voting on any such matter.

Not always perfect!

Looks like a duck, quacks like a duck …….

Road to Success

- Understand the audience, try to understand how they might see a situation
- Disclosure
- Abstain from voting
- Explain relationships
- Freely offer explanations

Communication & Community

Ways to build community

- Association websites
- Add reminders in mailing to community
- Social media (snow birds)
- Workshops/study sessions open forum
- Open forums before/after meetings
- Surveys/Comment boxes

Reality

1. May never get 100% input from unit owners
2. No matter how many places information is posted someone will always say they never saw it posted
3. No one can make a unit owner read their mail
4. Most misunderstanding begins with some lack of knowledge
5. The board is going to possible make tough decisions that will not make unit owner's happy

Reality

1. Making a decision (such as reducing assessments) may win you in the short run but may hurt the Association in the long run
2. Manners and respect will go further than disrespect and degrading comments
3. Silence is a powerful tool
4. Many times people use a mirror instead of binoculars to look at a situation
5. Squeaky wheels still serve a purpose in the overall scheme of things

Work to understand each other for the best interest of the Association

- "A Formula That Will Work Wonders for You"

Principle 8: Try honestly to see things from the other person's point of view.

Take-Away: Forget walking a mile in their shoes, just imagine for a second how things might look to the person across from you

Benefit of the doubt

Think outside of the box

Summary

Summary-Board members-Become informed!

1. Acted within the scope of the authority granted in the governing documents;

2. Acted for no reasons of self-interest, gain, prejudice or revenge;

3. Keeps confidential information relating to a unit's owner, a member of the executive board or an officer, employee or authorized agent of the association unless the disclosure is consented to by the person to whom the information relates;

4. Keeps informed of laws, regulations and developments relating to common-interest communities;

5. Cooperated with the Division in resolving complaints filed with the Division;

Summary- Unit Owners-Become Informed and Involved!

1. Respect and manners
2. Read the governing documents
3. Work together with board to resolve issues
4. Follow parliamentary procedure
   a. limit comments
   b. avoid abusive language
   c. avoid negative body language
5. Send questions to board care of community manager

Most of all remember the goal is what is best interest for the Association, not any one person!

Summary Statement

QUESTIONS?

- Web Site
  - www.red.nv.gov
- Phone
  - 702.486.4480/877.829.9907/775.687.4208
- FAX
  - 702.486.4520/775.687.4868
- E-Mail
  - Ombclasses@red.state.nv.us
- Office Locations
  - 2501East Sahara Ave., Suite 202, Las Vegas, NV 89104
  - 1179 Fairview Drive, Suite E, Carson City, NV 89701

Reference Sources

Respect
https://www.google.com/search?q=golden+rule&rlz=1C1OPRB_enUS609US609&espv=2&biw=1642&bih=885&source=lnms&tbm=isch&sa=X&ei=xylBVdPlAZLioASD7ICQDg&sqi=2&ved=0CAYQ_AUoAQ&dpr=1#imgrc=BYHQPVhdYzzv3M%253A%3Be50kbRBd-CW2iM%3Bhttp%253A%252F%252Fnwcontract.com%252Fwp-content%252Fuploads%252F2013%252F11%252FRespect.png%3Bhttp%253A%252F%252Fnwcontract.com%252Ftag%252Fgolden-rule%252F%3B371%3B268

Business judgment rule. (2015, February 6). In *Wikipedia, The Free Encyclopedia*. Retrieved 18:48, April 29, 2015, from http://en.wikipedia.org/w/index.php?title=Business_judgment_rule&oldid=645961086)

Monkeys
https://www.google.com/search?q=see+no+evil+hear+no+evil&rlz=1C1OPRB_enUS609US609&espv=2&biw=1642&bih=885&source=lnms&tbm=isch&sa=X&ei=FChBVaqtFMS4ogS3mYG4Aw&ved=0CAYQ_AUoAQ&dpr=1#imgrc=3T4Br1o-2ildhM%253A%3BZnUU_ERQRfhyIM%3Bhttp%253A%252F%252Fcdn.twentytwowords.com%252Fwp-content%252Fuploads%252FThree-Wise-Monkeys-in-the-Internet-Age.jpg%253Fb8896f%3Bhttp%253A%252F%252Ftwentytwowords.com%252Fthe-see-no-evil-hear-no-evil-speak-no-evil-monkeys-in-the-age-of-the-internet%252F%3B465%3B277

Meeting arguing
https://www.google.com/search?q=people+arguing&biw=1680&bih=925&source=lnms&tbm=isch&sa=X&ei=q2VBVeq_GoXhoASL_4HQAw&ved=0CAYQ_AUoAQ#tbm=isch&q=people+arguing+during+a+meeting&imgrc

Clip art resources

HOA Picture
https://www.google.com/search?q=hoa&rlz

Cat glasses
http://graphicriver.net/item/cartoon-cat-face-with-sunglasses/4380269

Ducks & Bunny
thefabweb.com1280 × 800Search by image Exotic Pictures of Beautiful Duck that will make feels serene

Reference Slides

NRS 116.31183 Retaliatory action prohibited; separate action by unit's owner.

1. An executive board, a member of an executive board, a community manager or an officer, employee or agent of an association shall not take, or direct or encourage another person to take, any retaliatory action against a unit's owner because the unit's owner has:

(a) Complained in good faith about any alleged violation of any provision of this chapter or the governing documents of the association;

(b) Recommended the selection or replacement of an attorney, community manager or vendor; or

(c) Requested in good faith to review the books, records or other papers of the association.

2. In addition to any other remedy provided by law, upon a violation of this section, a unit's owner may bring a separate action to recover:

(a) Compensatory damages; and

(b) Attorney's fees and costs of bringing the separate action.

(Added to NRS by 2003, 2218; A 2009, 2808, 2895)

NRS 116.31184 Threats, harassment and other conduct prohibited; penalty.

1. A community manager, an agent or employee of the community manager, a member of the executive board, an officer, employee or agent of an association, a unit's owner or a guest or tenant of a unit's owner shall not willfully and without legal authority threaten, harass or otherwise engage in a course of conduct against any other person who is the community manager of his or her common-interest community or an agent or employee of that community manager, a member of the executive board of his or her association, an officer, employee or agent of his or her association, another unit's owner in his or her common-interest community or a guest or tenant of a unit's owner in his or her common-interest community which:

(a) Causes harm or serious emotional distress, or the reasonable apprehension thereof, to that person; or

(b) Creates a hostile environment for that person.

2. A person who violates the provisions of subsection 1 is guilty of a misdemeanor.

NRS 116.31183 Retaliatory action prohibited

An executive board, a member of an executive board of an association shall not take, or direct or encourage another person to take, any retaliatory action against a unit's owner because the unit's owner has:

(a) Complained in good faith about any alleged violation of any provision of this chapter or the governing documents of the association;

(b) Recommended the selection or replacement of an attorney, community manager or vendor; or

(c) Requested in good faith to review the books, records or other papers of the association.

2. In addition to any other remedy provided by law, upon a violation of this section, a unit's owner may bring a separate action to recover:

(a) Compensatory damages; and

(b) Attorney's fees and costs of bringing the separate action.

NRS 116.31189 Bribery of community manager or member of executive board; penalties; exceptions.

1. Except as otherwise provided in subsection 3, a community manager or member of the executive board who asks for or receives, directly or indirectly, any compensation, gratuity or reward, or any promise thereof, upon an agreement or understanding that his or her vote, opinion or action upon any matter then pending or which may be brought before him or her in his or her capacity as a community manager or member of the executive board, will be influenced thereby, is guilty of a category D felony and shall be punished as provided in NRS 193.130.

2. Except as otherwise provided in subsection 3, a person who offers or gives, directly or indirectly, any compensation, gratuity or reward, or any promise thereof, upon an agreement or understanding that the vote, opinion or action of a community manager or member of the executive board upon any matter then pending or which may be brought before the community manager or member of the executive board in his or her capacity as a community manager or member of the executive board will be influenced thereby, is guilty of a category D felony and shall be punished as provided in NRS 193.130.

3. The provisions of this section do not prohibit:

(a) An employee of a declarant or an affiliate of a declarant who is a member of an executive board from asking for or receiving, directly or indirectly, any compensation, gratuity or reward, or any promise thereof, from the declarant or affiliate.

(b) A declarant or an affiliate of a declarant whose employee is a member of an executive board from offering or giving, directly or indirectly, any compensation, gratuity or reward, or any promise thereof, to the employee who is a member of the executive board.

(c) A community manager from asking for or receiving, directly or indirectly, or an employer of a community manager from offering or giving, directly or indirectly, any compensation for work performed by the community manager pursuant to the laws of this State.

NRS 116.3109 Requirement of Law

Meetings of the association must be conducted in accordance with the most recent edition of *Robert's Rules of Order Newly Revised*, unless the bylaws or a resolution of the executive board adopted before the meeting provide otherwise

NRS 116.31185 Prohibition against certain personnel soliciting or accepting compensation, gratuity or remuneration under certain circumstances.

1. Except as otherwise provided in subsection 2, a member of an executive board, an officer of an association or a community manager shall not solicit or accept any form of compensation, gratuity or other remuneration that:

(a) Would improperly influence or would appear to a reasonable person to improperly influence the decisions made by those persons; or

(b) Would result or would appear to a reasonable person to result in a conflict of interest for those persons.

2. Notwithstanding the provisions of subsection 1, a member of an executive board, an officer of an association, a community manager or any person working for a community manager shall not accept, directly or indirectly, any gifts, incentives, gratuities, rewards or other items of value from:

(a) An attorney, law firm or vendor, or any person working directly or indirectly for the attorney, law firm or vendor, which total more than the amount established by the Commission by regulation, not to exceed $100 per year per such attorney, law firm or vendor; or

(b) A declarant, an affiliate of a declarant or any person responsible for the construction of the applicable community or association which total more than the amount established by the Commission by regulation, not to exceed $100 per year per such declarant, affiliate or person.

3. An attorney, law firm or vendor, or any person working directly or indirectly for the attorney, law firm or vendor, shall not provide, directly or indirectly, any gifts, incentives, gratuities, rewards or other items of value to a member of the executive board, an officer of the association, the community manager or any person working for the community manager which total more than the amount established by the Commission by regulation, not to exceed $100 per year per such member, officer, community manager or person.

4. A declarant, an affiliate of a declarant or any person responsible for the construction of a community or association, shall not provide, directly or indirectly, any gifts, incentives, gratuities, rewards or other items of value to a member of the executive board, an officer of the association, the community manager or any person working for the community manager which total more than the amount established by the Commission by regulation, not to exceed $100 per year per such member, officer, community manager or person.

5. In addition to the limitations set forth in subsection 1, a community manager shall not solicit or accept any form of compensation, fee or other remuneration that is based, in whole or in part, on:

(a) The number or amount of fines imposed against or collected from units' owners or tenants or guests of units' owners pursuant to NRS 116.31031 for violations of the governing documents of the association; or

(b) Any percentage or proportion of those fines.

6. The provisions of this section do not prohibit a community manager from being paid compensation, a fee or other remuneration under the terms of a contract between the community manager and an association if:

(a) The scope of the respective rights, duties and obligations of the parties under the contract comply with the standards of practice for community managers set forth as NRS 116A.630 and 116A.640 and any additional standards of practice adopted by the Commission by regulation pursuant to NRS 116A.400;

(b) The compensation, fee or other remuneration is being paid to the community manager for providing management of the common-interest community; and

(c) The compensation, fee or other remuneration is not structured in a way that would violate the provisions of subsection 1 or 5.

NRS 116.31187 Prohibition against certain personnel contracting with association or accepting commission, personal profit or compensation from association; exceptions.

1. Except as otherwise provided in this section, a member of an executive board or an officer of an association shall not:

(a) On or after October 1, 2003, enter into a contract or renew a contract with the association to provide financing, goods or services to the association; or

(b) Otherwise accept any commission, personal profit or compensation of any kind from the association for providing financing, goods or services to the association.

2. The provisions of this section do not prohibit a declarant, an affiliate of a declarant or an officer, employee or agent of a declarant or an affiliate of a declarant from:

(a) Receiving any commission, personal profit or compensation from the association, the declarant or an affiliate of the declarant for any financing, goods or services furnished to the association;

(b) Entering into contracts with the association, the declarant or affiliate of the declarant; or

(c) Serving as a member of the executive board or as an officer of the association.

NRS 116.31084 Voting by member of executive board; disclosures; abstention from voting on certain matters.

1. A member of an executive board who stands to gain any personal profit or compensation of any kind from a matter before the executive board shall:

(a) Disclose the matter to the executive board; and

(b) Abstain from voting on any such matter.

2. A member of an executive board who has a member of his or her household or any person related to the member by blood, adoption or marriage within the third degree of consanguinity or affinity who stands to gain any personal profit or compensation of any kind from a matter before the executive board shall disclose the matter to the executive board before voting on any such matter.

3. For the purposes of this section:

(a) An employee of a declarant or an affiliate of a declarant who is a member of the executive board shall not, solely by reason of such employment or affiliation, be deemed to gain any personal profit or compensation.

(b) A member of an executive board shall not be deemed to gain any personal profit or compensation solely because the member of the executive board is the owner of a unit in the common-interest community.

(Added to NRS by 2009, 1099, 2908)