Proposed Revision to NRS 116.31086 Association Projects

It is suggested the proposed revision to the Statute be slightly revised to specifically identify/include management contracts for services.

Discussion

The annual review of management contracts are sometimes discussed in **closed session** and renewed with no knowledge of the homeowners and without seeking competitive bids. Homeowners are not aware of when these contracts are due for review or renewal and little information is provided them except as stated in the annual budget.

Management companies have little incentive to seek competitive bids for services and Boards not unreasonably dissatisfied with current management devote little time and effort to even considering an annual review. While it is important to recognize good management and avoid the stress associated with changing management companies each year; competitive bids should still be required.

In the currently proposed legislation it is suggested Sec.2.NRS 116.31086 3.(b) be further revised to read:

3. (b) Involves the provision of services to the association ***to include management services*** , and costs $2,500 or more or 10 percent or more of the total annual assessment made by the association.

I am a Nevada resident/homeowner residing in Henderson, NV 89044. And currently serve as a board member on the Spring Valley HOA where I own property in Las Vegas, NV 89147. I am speaking as an individual.

Thank you for your consideration.

Very respectfully,

John R. Currell
P.O. Box 777251
Henderson, NV 89077
Email: jrcurrell@earthlink.net

Proposed Revision to NRS 116.4109 Resale of Units

It is suggested the Statute be expanded to require that all fees collected from the sale of a unit be deposited in the association's bank account.

Discussion

While the right to these fees is a matter of negotiation between an association and their management company: all fees collected should first be deposited into the association's bank account and be subject to audit.

Presently some management companies offer to collect these fees at no expense to the association. This is misleading. **Monies are being deposited directly into management accounts and the associations have no knowledge of the actual dollar amounts being collected.** The associations in effect do not know how much they are paying their management company as **these fees are not disclosed and are not subject to audit.** With the high level of foreclosures in recent years these fees are thought to have been considerable. (50 sales per year at $200 each would be $10,000 per HOA)

Management companies may claim they perform the work and are thus entitled to the monies: but were there no contract there would be no money. This would continue to be the subject of negotiation between each association and their management company. The fees presently being collected should be reflected as some benefit to the homeowners.

I am a Nevada resident/homeowner residing in Henderson, NV 89044. And currently serve as a board member on the Spring Valley HOA where I own property in Las Vegas, NV 89147.

Thank you for your consideration.

Very respectfully,

John R. Currell
P.O. Box 777251
Henderson, NV 89077
Email: jrcurrell@earthlink.net