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MAY 19 2026

NEVADA COMMISSION FOR  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS



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May 18, 2026

Commission for Common-Interest Communities  
c/o Nevada Real Estate Division  
Nevada State Business Center  
3300 W. Sahara Avenue, Suite 350  
Las Vegas, NV 89102

Re: Comments on “Workshop” Agency Draft, LCB File No. R091-25 (Sections 2, 3, 4, 5, 13, 15 & 16); June 9, 2026 CIC Commission Agenda.

Chair and Members of the Commission:

I submit the following comments regarding the identified sections of the proposed regulation, LCB File No. R091-25. I ask they be made part of the record.

### Summary of Positions

- Section 2— HSW Criteria: **Oppose** (comment provided)
- Section 3— Affidavit pleading standard: **Oppose** (comment provided)
- Section 4 — Remedial Measures During Investigations: **Oppose** absent revision (comment provided)
- Section 5 — Petition Regulation-Making Proceedings: **Oppose** absent revision (comment provided)
- Section 6 thru 12-- No comment
- Section 13 — Transfer of Records: **Oppose** absent revision (comment provided)
- Section 14— No comment
- Section 15 & 16— Reserve Study: **Support** upon amending language (comment provided)

### Section 2: Oppose: HSW Criteria

Section 2 should be rejected because it fails to establish any of the items required by NRS 116.31031. It does not establish the “*criteria*”, 2) it does not establish “severity” and 3) it does not set “limitations on the amounts of fines”. All are explicitly directed by statute and a continuing criticism of prior drafts but absent.

Criteria are not merely labels or categories used to classify misconduct. In this context, criteria are the objective standards, determinations needed, or rules for a particular violation to satisfy the statutory HSW threshold. A board determination of *conduct* fitting a label — negligence, intentional interference, property damage, or code violation — only classifies the alleged misconduct. The statutory task requires more.

NRS 116.31031 directs the Commission to adopt criteria for determining whether a violation **poses** an imminent threat of causing a substantial adverse effect on health, safety, or welfare, as well as criteria addressing the severity of such violations and limitations on the amounts of fines. The present-tense wording of NRS 116.31031 — “**poses**” — matters. That structure focuses on violations that presently fall within the HSW exception. It does not ask whether conduct **posed** a threat at some earlier time. Section 2 instead lists broad categories of misconduct and allows those labels to function as HSW gateways.

My objection is not that associations should be unable to respond to genuine health, safety, or welfare threats. They should and can. The objection is that Section 2 does not distinguish genuine ongoing or *imminent* HSW conditions from completed misconduct, ordinary rule violations, nuisance disputes, or conduct that may be wrongful but does not presently **pose** the statutory HSW threat. Without those criteria- which is what lawmakers directed the Commission adopt - ordinary and completed covenant violations may be reclassified at the discretion of a board as HSW violations based on broad characterizations. This allows associations to seek fines beyond ordinary statutory limits without the guardrails that should be in place and very narrow.

Section 2 also fails to address severity of HSW violations. It provides no scale of seriousness, no distinction between minor, moderate, severe, or extraordinary HSW conditions, and no relationship between the nature of the threat and the amount of the fine. Without adopted severity criteria, similarly situated owners may face dramatically different fines for the same conduct depending on the association involved. One board may treat a violation as warranting a \$500 fine, while another may impose \$5,000 or more for substantially identical facts. A regulation that merely repeats the word “severity” does not establish severity criteria.

Section 2 also fails to establish the required limitations on the amounts of fines. The Legislative Counsel’s Digest states that Section 2 prohibits fines exceeding \$10,000 for each HSW violation, but that limitation does not appear in the text of the proposed regulation. The operative language contains no dollar cap at all. What is drafted is not a limitation. It is a blank check. It states only that the board may impose a fine commensurate with severity in accordance with NRS 116.31065, which deals with association-established rules, not fine limits, and subject to the procedural requirements of NRS 116.31031, which simply references back to the very statute the regulation was supposed to clarify. That does not satisfy the statutory directive to establish fine limitations. Lawmakers plainly recognized the danger of giving private association boards enhanced HSW fine authority without guardrails. That is why NRS 116.31031 directed the Commission to establish the criteria for determining HSW violations, the severity of those violations, and the limitations on fine amounts. Section 2 fails on all three fronts.

The irony is that some associations are using the HSW label precisely because the Commission has not adopted the criteria, severity standards, and fine limits the Legislature directed it to adopt in 2021.

Subsection 4 should also be removed. If an association has another legal remedy authorized by law, that remedy exists independently of Section 2. If it does not, subsection 4 cannot create one. The HSW label carries added legal significance only because NRS 116.31031 permits enhanced fines for violations that meet that threshold. It was not intended to allow associations to expand

their rulemaking authority or pursue additional enforcement actions merely because a violation has been characterized as HSW, and this Commission should not imply via regulation, otherwise. The task under NRS 116.31031 is to establish HSW criteria, severity standards, and fine limitations. Section 2 should remain within that assignment.

**Section 3: Oppose:** Affidavit pleading standard

The proposed fiduciary-duty affidavit language raises a statutory-authority concern. NRS 116.760(1) provides that an affidavit filed with the Division must set forth the facts constituting the alleged violation. That is the affidavit standard.

NRED may prescribe the affidavit form, but form authority is not authority to add a legal-identification burden for fiduciary-duty complaints. The proposed language goes beyond asking the homeowner to state what happened. It asks the homeowner to classify the legal theory correctly.

The requirement is also selective. Why single out fiduciary duty complaints for an added legal-identification burden? If factual notice is sufficient for other Chapter 116 affidavits, the Commission should be cautious before imposing a heightened legal-pleading requirement on fiduciary-duty complaints.

The additional requirement risks converting the affidavit process into a technical pleading trap. A complaint could fail not because the facts are false, but because the homeowner selected the wrong statutory hook.

In court, parties may be required to connect facts to specific legal claims, and defective legal theories may be tested through motion practice. But the Chapter 116 affidavit process is not civil litigation. Most homeowners filing affidavits are not represented by counsel. They should be required to explain what happened, not to identify the perfect legal hook.

Fiduciary-duty allegations under NRS 116.3103 may arise from a broad range of conduct and may overlap with multiple provisions of Chapter 116, NAC Chapter 116, governing documents, or Commission orders. A homeowner may accurately describe facts showing bad faith, uninformed decision-making, conflict-driven conduct, concealment, retaliation, or failure to act in the association's interest, while failing to identify the precise legal provision most applicable to those facts.

NRED should investigate the facts alleged, not terminate or narrow a complaint merely because the homeowner cited the wrong statute, regulation, or order. If the facts set forth in the affidavit reasonably indicate a violation within the Commission's jurisdiction, the matter should not fail because the complainant lacked legal precision.

The proposed language therefore risks adding a barrier not found in NRS 116.760. It would give the Division a shortcut to reject fiduciary-duty complaints on technical grounds, while allowing the Division to obscure that position behind its exaggerated interpretation of confidentiality provisions (see section 4 comments).

#### **Section 4: Oppose:** Remedial Measures During Investigations

Section 4 should be rejected. As drafted, the section formalizes remedial authority so as to circumvent and undermine the statutory direction in NRS 116.750 by allowing practical enforcement outcomes to occur within NRED's confidential investigative process rather than through the Commission's public adjudicatory role. While informal correction can promote efficiency and voluntary compliance, it should not become invisible enforcement.

The proposal gives the Division expanded informal remedial discretion within a system where meaningful public reporting is presently absent while adding none of the transparency safeguards needed to make that discretion accountable. Section 4 should be understood for what it appears to do: formalize and give Commission endorsement to a remedial practice that the Division already appears to be using. That is precisely why transparency safeguards are necessary.

The concern is not discretion itself. Every enforcement system requires discretion. Criminal prosecutors exercise discretion when deciding whether to charge, decline, divert, or resolve cases. But prosecutorial discretion operates within a public justice system where charges, dismissals, pleas, diversion programs, court orders, and many outcomes are reflected in public records and subject to institutional checks. Section 4 provides no comparable transparency. It would allow, absent revisiting the Division's application of NRS 116.757 (confidentiality), compliance outcomes to occur inside a confidential investigative process, with no public explanation of the alleged violation, the corrective action required, or the basis for closing the matter without Commission adjudication.

The proposed language authorizes the Division to provide remedial measures that the subject "may take to be in compliance" with Chapter 116 or an order of the Commission or a hearing panel. That phrasing necessarily implies that the Division has determined, at least preliminarily, that the subject is not in compliance. When failure to take those remedial measures may then be treated as good cause to proceed to hearing, the remedial measure is not merely informal advice. It becomes a compliance demand backed by enforcement escalation.

This concern is heightened when the subject of the investigation is an association. Section 4 would allow an association to accept remedial measures while denying any violation, with the entire resolution kept confidential. That is not merely a private settlement. The association is using owner funds and exercising statutory governance authority, yet the owners and the Commission may never learn what was alleged, what corrective action was required, what costs were incurred, or why the matter was resolved without public Commission adjudication.

That is difficult to square with NRS 116.750's allocation of authority. The Division may investigate. The Commission and hearing panels take appropriate action against persons who commit violations. Section 4 would allow the Division, during an in effect secret investigation, to prescribe corrective action and then treat failure to complete that corrective action as good cause for formal enforcement escalation. That is a practical enforcement outcome before any public adjudicatory determination has been made.

Confidential investigative resolutions prevents homeowners, associations, managers, the Commission, and policymakers from seeing how Chapter 116 is being interpreted and enforced. When alleged violations are resolved before any public adjudication, communities may never learn what conduct was alleged, what corrective action was required, why the matter was closed without Commission review, or whether similar cases are being handled consistently.

That lack of visibility creates risks of inconsistent, preferential, or uneven enforcement. It also blurs the statutory distinction between investigation and adjudication. NRS 116.615 may give the Division administrative and investigative flexibility, but it should not be read to allow the Division to replace the Commission's adjudicatory role with enforcement outcomes that leave no public record.

Section 4 also reads more into NRS 116.757 than the statute says. NRS 116.757 protects documents and information filed with the affidavit and documents or information compiled as a result of an investigation conducted to determine whether to file a formal complaint. But a list of remedial measures is not simply evidence, documents, or information compiled as part of an investigation. It is an agency-generated compliance directive created by the Division after it has reviewed the matter and formed a view about what the subject must do "to be in compliance."

That is materially different from confidential investigative material. A remedial-measures list reflects NRED's legal and compliance judgment. It identifies what NRED believes is required to bring the subject into compliance and then allows failure to take those measures to be considered good cause to proceed to hearing. Labeling that document confidential under NRS 116.757 expands the confidentiality statute beyond investigative materials and shields a practical enforcement outcome from public view.

If the subject voluntarily accepts and completes corrective action, the public-policy justification for keeping the existence and general nature of that resolution entirely confidential is weak. Personal identifying information and sensitive investigative material can be redacted. The public should be able to know, at least in general terms, what type of alleged violation was resolved, what corrective action was accepted, and why the matter was closed without Commission adjudication. Confidentiality may benefit the subject of the investigation or its counsel, but that is not the same as a public-policy justification for invisible enforcement.

If the Division or Commission believes informal remedial discretion is necessary, that discretion should be conditioned on redacted public reporting. At minimum, the Division should publish periodic summaries identifying the general nature of the alleged violation, the corrective action required or completed, and the basis for resolving the matter without formal Commission adjudication. That approach would preserve the benefits of voluntary compliance while maintaining transparency, consistency, and public confidence in Chapter 116 enforcement.

### **Section 5: Oppose:** Petition Regulation-Making Proceedings

The objective of Section 5 is needed but as drafted, it should not be adopted. The draft fails to provide most of what NRS 233B.100(1) directs each agency to prescribe by regulation: "the form for such petitions and the procedure for their submission, consideration and disposition."

The need to capture the petition process in regulation is not disputed, and I support that effort. The problem is that Section 5 does not provide a meaningful petition procedure.

NRS 233B.100 is a statutory accountability mechanism. It was intended to prevent an agency from exercising a silent veto over requested regulatory changes by ignoring a petition or leaving it unresolved without written reasons. That accountability mechanism is problematic in the Chapter 116 context because NRED is not the rulemaking authority in the typical sense. NRED administers the system, but the Commission holds the regulatory authority. A petition under NRS 233B.100 is therefore not merely a request for NRED staff to decide whether it wishes to advance an issue. It is a statutory petition seeking action on a regulation within the exclusive authority of the Commission.

Apparently, despite the longstanding requirement that this agency prescribe a petition regulation, no such regulation exists for Chapter 116. That appears to be the reason for the present effort. Based on nearly a decade of closely monitoring the Commission, the practical rulemaking model has been that NRED identifies the subjects it wishes to advance, seeks drafting assistance, circulates proposed language, and then places the matter before the Commission for approval. The Commission does not appear to have a regular process by which it publicly identifies, prioritizes, affirmatively seeks public input on what regulation is needed, directs potential rulemaking subjects before the Administrator initiates an adoption workshop process. LCB File No. R091-25 appears to follow that same staff-driven model.

Subsection 1 largely repeats NRS 233B.100(1), as do the first two sentences of subsection 2. I question the value of that duplication. But if the Commission wishes to repeat statutory language in the regulation for context, I do not object.

My objection begins with the third sentence of subsection 2, which provides that if the Administrator does not deny the petition within 30 days, “the Commission shall review the petition at the next feasible scheduled meeting following receipt of the petition and render its decision and proceed accordingly.” That language does not conform to NRS 233B.100. Once a petition is not denied within 30 days, the statutory next step is *initiation of regulation-making proceedings*. The words “review,” “decision,” and “proceed accordingly” create ambiguity by suggesting an additional, undefined post-30-day stage *before* the petition enters the regulation-making process.

Once a petition enters the regulation-making process, the Commission retains discretion over the substance of the proposal. It need not accept the petition as written or ultimately adopt the requested regulation. Proposed language may be revised, narrowed, consolidated with related issues, or referred for further staff analysis. That appears to be what occurred when earlier HSW language was proposed in LCB File No. R129-21 but was not included in the adopted regulation. The distinction matters. Commission rejection within rulemaking is permissible. An undefined Commission “review” that functions as a second post-30-day denial mechanism is not.

Section 5 leaves unanswered the most important procedural question: what happens after a petition is not denied within 30 days? NRS 233B.100 requires the agency to prescribe by regulation the procedure for submission, consideration, and disposition of petitions. NRS

233B.050 separately requires rules of practice describing the nature and requirements of formal and informal procedures available before the agency. To this end, section 5 need not restate every rulemaking step in NRS Chapter 233B, and the statute may not require every internal staff step to be specified. But the regulation must provide enough procedure for a petitioner and the public to understand how a petition not denied within 30 days is treated, how it reaches the Commission, and how it is carried forward or disposed of as a regulation-making matter.

HOA owners, associations, managers, and the general public are entitled to know what the petition process is. Placing a petition on the Commission's next feasible agenda may be an appropriate first step. Is that an existing agency rule of practice, or a new procedure the Division is now asking the Commission to approve? I have several petitions that have been awaiting that step for nearly a year. In any case, the regulation, and any related rules of practice must say more than that the Commission will "review" the petition and "proceed accordingly."

Section 5 should therefore be rejected as drafted and revised to establish an actual petition procedure consistent with NRS 233B.100.

**Section 13: Oppose:** Transfer of Records

Section 13(6)(a) is much needed but deficient because it does not begin from the correct premise. The association's need in a management transition is not limited to records owners may inspect under NRS 116.31175, nor to records a manager characterizes as customarily maintained, nor to whatever records the outgoing manager happens to identify as being in its possession. The association requires transfer of all association records the law, courts, governing documents, and contracts require it to maintain, and all additional records constructed, or created through association operations using association authority and resources, unless the association lawfully authorized their destruction.

Records can be extensive, old, dispersed across multiple systems, and sometimes genuinely lost, misplaced, or unavailable. But that reality makes contemporaneous documentation more important, not less. The regulation should require recognition of this by the outgoing manager and acknowledgment by the association, whether directly by the board or through the incoming manager acting on the association's behalf. A regulation governing management transition does not need to assume misconduct whenever a record is missing. But simply permitting written certification that the records do not exist or are no longer in the manager's possession is insufficient. If the record is one the association was required to maintain, the association needs more than a statement of nonexistence or non-possession. It needs enough information to assess the legal, financial, operational, and governance implications of the missing record. Confidential records, legal materials, election records, compliance files, enforcement histories, and records whose absence may expose the association to added cost, liability, or governance disruption are especially problematic.

**Sections 15 and 16: Support upon amending language;** Reserve Study

I support the apparent objective of the proposal. Executive boards should formally review and adopt the results of reserve studies, and reserve-study adoption should be aligned with the budget

process. However, the current wording of both sections is generally confusing and should be amended.

Proposed Section 16 should be revised to provide:

*For the fiscal year in which an association conducts or updates a reserve study pursuant to NRS 116.31152, the executive board must review and adopt the results of a reserve study before adopting the proposed budget for the upcoming fiscal year. For purposes of this section, the adoption of the reserve study must take place before the culmination of 5 years after the date that the executive board last adopted a full reserve study that includes the information described in NAC 116.425.*

If Section 16 is revised in this manner, Section 15 is unnecessary and should be deleted for the following reasons.

The proposed Section 15(1) language appears to require the board to adopt the reserve study it receives. That is too rigid. Adoption of reserve-study results is a board fiduciary decision, not a ministerial duty to accept the first study delivered. Boards must retain flexibility to reject the study, request revisions, obtain clarification, or seek a second opinion, provided the final adopted reserve study is completed within the statutory timing requirements and before adoption of the proposed budget for the fiscal year in which the updated study will be used.

Subsection 15(1)(b) is also unnecessary. Documentation of board action is already addressed through meeting-minute requirements applicable to board meetings at which action is taken. A separate requirement that adoption be documented in the minutes is duplicative.

### **Additional Recommendation: A Reserve Spending Plan**

Separately, I recommend the Commission consider additions to regulatory language.

First, NRS 116.31151(1)(b) uses the word “budget,” but the required contents largely overlap with reserve-study information. NRS 116.31151(2) further provides that, “[i]n lieu of distributing copies of the budgets [plural] of the association required by subsection 1, the executive board may distribute to each unit’s owner a summary of those budgets [plural] accompanied by ....” That wording creates confusion. The statute appears to require annual disclosure of reserve-related information as part of the annual budget process. It does not appear to require a new annual reserve study, nor does it necessarily require a separate annual reserve-budget document distinguishable from the reserve study. The regulation should clarify that distinction.

Second, if the Commission accepts that NRS 116.31151 does not require a new annual reserve study or necessarily require a separate annual reserve-budget document distinguishable from the reserve study, then the regulation should also clarify the “current” requirement in NRS 116.31151(1)(b)(1). That clarification is needed to avoid confusion over whether boards must annually adjust component-level estimates during the annual review process.

*For purposes of NRS 116.31151(1)(b)(1), a full reserve study conducted and adopted within the five-year period required by NRS 116.31152 satisfies the requirement to provide the current estimated replacement cost, estimated remaining life, and estimated useful life of major components.*

Third, the regulation should clarify the “summary” authorized by NRS 116.31151(2), which provides that, “[i]n lieu of distributing copies of the budgets of the association required by subsection 1, the executive board may distribute to each unit’s owner a summary of those budgets.” If the executive board elects to provide a summary of the reserve-related information (once again presuming a full budget document is not required- see above) rather than the full reserve study, which is typically the case, the regulation should clarify what information must be included for that summary to be meaningful.

For purposes of the reserve budget required by NRS 116.31151(1)(b), a summary should include a simple disclosure of the board’s anticipated reserve spending for the budget year. I refer to that disclosure here as a **Reserve Spending Plan**.

The annual review required by NRS 116.31152 should be understood to affect both the revenue and expense sides of reserve planning. On the revenue side, the board’s review informs the reserve allocation included in the annual budget and disclosed to owners. On the expense side, the review should also inform which reserve-funded projects the board expects to undertake during the upcoming fiscal year.

Under current practice, the revenue side is generally disclosed. Owners are told the amount allocated to reserves and may receive a reserve summary showing accumulated reserves, estimated reserve needs, and whether additional assessments may be necessary. But the expense side is often not disclosed with comparable clarity. Reserve statements may list only the total anticipated reserve expenditures for the upcoming fiscal year without identifying the projects, timing, or estimated cost assumptions behind that total.

That is a meaningful gap. If the expenditure figure is simply taken from a reserve study prepared several years earlier, owners may not know whether the board still intends to undertake the projects assumed in that study. If the board has adjusted the expenditure list during its annual review — by deferring work, accelerating work, changing scope, revising cost estimates, or adding projects not anticipated in the study — owners may not receive the adjusted list at all.

A Reserve Spending Plan would close that gap. It would not require a new reserve study. It would not require a state-prescribed budget format. It would simply clarify that when an association provides a summary of the reserve budget under NRS 116.31151(2), that summary should include the basic project-level information necessary for owners to understand the anticipated use of reserve funds during the budget year.

At minimum, that disclosure could be a simple list identifying the reserve-funded projects or expenditures the board anticipates undertaking during the year, the estimated cost, and the anticipated commencement date. This is the expense-side counterpart to the reserve allocation disclosed on the revenue side of the budget.

In the language of other business operations, a Reserve Spending Plan would function much like a capital-expenditure plan disclosure. It would be included with the current reserve summary statement or attached to the annual budget materials.

This disclosure would give practical meaning to the annual review required by NRS 116.31152(1)(b) and (c). When the board reviews the reserve study and determines which reserve projects are expected to move forward, be deferred, accelerated, revised, or newly identified, owners should receive at least annually a basic summary of that planned reserve activity with the annual budget. Absent that disclosure, owners may receive reserve-funding information without any clear statement of how the board actually plans to spend reserve funds during the budget year.

A reserve study is a planning tool. It contains estimates, assumptions, component schedules, useful-life projections, and funding recommendations. Those recommendations inform the board, but they are not self-executing mandates. The board remains responsible for exercising fiduciary judgment in deciding which reserve-funded projects are actually undertaken in a given year. Those decisions, in turn, inform or validate the reserve contribution included in the budget and ultimately reflected in owners' annual assessments.

The regulation need not dictate the format of the Reserve Spending Plan, just as NRS 116 requires budget content and disclosure but does not prescribe a precise budget template. Like a budget, the plan would not be permanently prescriptive after approval. The board could and should update it as the year moves forward, especially if project timing, cost, scope, or priority changes.

Nevada law already recognizes that certain larger capital-improvement funding decisions require heightened owner notice. NRS 116.3115(9) requires written notice to each unit's owner at least 21 calendar days before a meeting at which an assessment for a capital improvement is to be considered or acted upon. That notice requirement is not the same as a reserve-spending disclosure. But it reflects the same basic policy concern: owners should receive meaningful, prospective information when board decisions may materially affect association finances. That policy supports clarifying that the annual budget summary should include a basic current-year disclosure of anticipated reserve-funded projects or expenditures.

For some associations, reserve expenditures are substantial. Yet owners are often not informed when reserve projects are expected to begin, how much the board expects to spend, or how planned reserve spending relates to the adopted reserve study. That gap matters because a reserve study is not self-executing. A reserve study may project that certain work will occur during a given fiscal year, but the board may later defer that work, accelerate other work, change the scope, revise cost assumptions, add unanticipated projects, or take no action at all. Without a current-year reserve-spending disclosure, owners may not know whether the board is following the reserve study's projected schedule, departing from it, or relying on outdated assumptions.

If owners are entitled to budget disclosure for recurring operating expenses such as landscape maintenance and insurance, then owners should also receive basic disclosure of major planned reserve expenditures such as road improvements, roof work, or major landscape refurbishment.

That disclosure need not be complicated. It should simply tell owners which reserve-funded projects or expenditures the board presently anticipates undertaking during the budget year, the estimated cost, and the anticipated timing if known.

A Reserve Spending Plan would promote board discipline where it may not exist today. Many boards already approach reserve spending structurally and disclose planned reserve projects as part of regular business. For those associations, this regulatory requirement would add only nominal effort. For others, it would create a basic planning expectation and help prevent reserves from functioning as an informal piggy bank for unexpected operating shortfalls or expenses not properly budgeted that can later be funding by special assessments absent owner approval.

Under current practice, owners often cannot readily determine how reserve funds are expected to be spent during the budget year. They may be able to reconstruct reserve spending after the fact by reviewing meeting minutes, tracking individual expenditure approvals, examining financial statements or reserve balances, or submitting records requests. But that is burdensome and retrospective. It does not provide owners with a clear, prospective explanation of planned reserve expenditures when they receive the annual budget.

The problem continues during the year. Associations commonly report operating-budget performance by comparing actual operating income and expenses against the adopted operating budget. Reserve spending is often less transparent. Without an approved Reserve Spending Plan, owners have no simple way to compare actual reserve expenditures against what the board planned to spend from reserves during the year. The result is that reserve spending can occur project by project, meeting by meeting, without owners being able to see how those decisions fit within the reserve study, the budget, or the association's long-term funding plan.

For associations that do not already produce such a plan, a Reserve Spending Plan would improve transparency, protect reserve integrity, and better connect the reserve study, annual budget, and actual board spending decisions.

Thank you for your consideration.

/signed/

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