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Amendment proposed by William Magrath, Caughlin Ranch Homeowners Association (Reno, NV) 775-788-2000

Problem #1: Executive Boards can frustrate the ability of a unit owner to review the association's books, records, and other papers, by "maintaining" these records at the office of the Association's attorney or accountant. Then the Executive Board conditions review of the records upon the payment by the unit owner of the attorney or accountant's "hourly rate." This frustrates access to the records since these "hourly rates" can range from \$150.00 to \$300.00 per hour. While it is reasonable to require a person to be present during the review of the records, the member should only have to pay a reasonable rate of \$10.00 per hour (i.e. a part-time or clerical worker's wage rate) to review or inspect the records.

Solution & Proposed Amendment For Problem #1. Shown below in <u>red italics</u> <u>and underlined</u>, an additional sentence has been added to limit the hourly rate which an association or executive board can charge a unit's owner for the review of association books, records, and other papers.

<u>Problem #2.</u> Some Executive Boards refuse to disclose the number of hours worked by personnel employed by the association. Unit owners should be able to learn how many hours are being worked in exchange for the salaries paid by the association.

Solution & Proposed Amendment for Problem #2. Shown below in <u>red italics</u> and <u>underlined</u>, NRS 116.31175(1)(a) is amended to require disclosure of hours worked by personnel of the association.

- 48-40 Sec. 79. NRS 116.31175 is hereby amended to read as
- 48-41 follows:
- 48-42 116.31175 1. Except as otherwise provided in this
- 48-43 subsection, the executive board of an association shall, upon the
- 48-44 written request of a unit's owner, make available the books, records
- 48-45 and other papers of the association for review during the regular
- 49-1 working hours of the association [-], including, without limitation,
- 49-2 all records filed with a court relating to a civil or criminal action
- 49-3 to which the association is a party. The executive board must not require a unit owner to pay in excess of \$10.00 per hour to review any books, records, and other papers of the association. The provisions of this
- 49-4 subsection do not apply to:
- 49-5 (a) The personnel records of the employees of the association [;]
- 49-6, except for those records relating to the hours worked, salaries and benefits of
- 49-7 those employees; and
- 49-8 (b) The records of the association relating to another unit's
- 49-9 owner [.], except for those records described in subsection 2.
- 49-10 2. The executive board of an association shall maintain a...

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ASSEMBLY JUDICIARY
DATE: 5/14/63 ROOM: 3138 EXHIBIT 5
SUBMITTED BY: William Magnah

NO OTHER CHANGES ARE PROPOSED TO SECTION 79.