

**PROPOSED REGULATION OF THE
COMMISSION FOR COMMON-INTEREST
COMMUNITIES AND CONDOMINIUM HOTELS**

LCB File No. R135-09

October 13, 2009

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §1, NRS 116.31151 and 116.615.

A REGULATION relating to common-interest communities; revising the contents of the budget to maintain the reserve of an association; and providing other matters properly relating thereto.

Section 1. NAC 116.415 is hereby amended to read as follows:

116.415 An executive board shall, in addition to the requirements set forth in paragraph (b) of subsection 1 of NRS 116.31151, include in the budget to maintain the reserve:

1. An estimate of the amount of reserve funds necessary in the projected fiscal year, based on comparative bids or industry standards, to complete the repairs, replacement or restoration of the major components as recommended in the ~~[reserve]~~ study ~~[;]~~ *of reserves conducted pursuant to NRS 116.31152*; and

2. ~~[Whether]~~ *If* there is a difference between the *projected balance of the reserve account at the end of the budgeted fiscal year and the* amount ~~[of the annual contribution suggested in the reserve study and the amount of the annual contribution for the current budget year and, if so:]~~ *required to adequately fund the reserves on a reasonable basis, at the end of the budgeted fiscal year, as determined by the study of reserves conducted pursuant to NRS 116.31152:*

(a) The reason for the difference; and

(b) How this difference is proposed to be resolved *by the executive board.*