Section D - Sample Provision Excerpt (Public Preview)

Any new construction of a home on a vacant parcel or lot in Forest Springs requiring a connection to the Forest Springs water system, will be charged $1,500.00, (effective July 1, 1980). This fee to be held in the water system Reserve Fund for use in upgrading the water system. E.

ISSUE #1

MARKUP #1 ->

MARKUP #1 · POTENTIAL ISSUE FOR REVIEW · RESERVE / SIRS — BOARD & COUNSEL REVIEW

Sec. D (p. 3): Potential Issue for Review: Reserve provisions omit the mandatory 3-year visual reserve component inspection and annual Reserve Funding Plan disclosure requirements under California Civil Code §§ 5550 and 5300 - look for this language in other governing documents, standalone policies, or amendments that were not included in this review.

Statutory / Legal Reference: Cal. Civ. Code § 5550 & 5300(b)(3)

Statutory Comparison: Under Cal. Civ. Code § 5550, the board must cause a reasonably competent and diligent visual inspection of accessible major components to be conducted at least once every three (3) years, review the study annually, and include the Reserve Funding Plan and Assessment and Reserve Funding Disclosure Summary (Civil Code § 5570) in the Annual Budget Report under § 5300.

CURRENT WORDING IN DOCUMENT:
Any new construction of a home on a vacant parcel or lot in Forest Springs requiring a connection to the Forest Springs water system, will be charged $1,500.00, (effective July 1, 1980). This fee to be held in the water system Reserve Fund for use in upgrading the water system. E.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):
First look for this language in other governing documents, standalone policies/resolutions, or amendments not included in this review. If not already addressed in another document (and if applicable to this community), incorporate: Pursuant to California Civil Code §§ 5550 and 5300, the Board shall cause a diligent visual inspection of the accessible major components to be conducted at least once...