Section SUBDIVISION SPONSORED COMMUNITY EVENT EVENTS - Sample Provision Excerpt (Public Preview)

SUBDIVISION SPONSORED COMMUNITY EVENT EVENTS
The cornerstone village association sponsors numerous community events throughout the year. These events include an Easter celebration which includes a visit from the Easter Bunny along with an Easter egg hunt (Parents are encouraged to take photographs and share them with the association for display in the...

ISSUE #1

MARKUP #1 ->

MARKUP #1 · SUBJECTIVE OR OVERBROAD WORDING
BOARD & COUNSEL REVIEW

Sec. SUBDIVISION SPONSORED COMMUNITY EVENT EVENTS (p. 5): [FLAGGED FOR COUNSEL REVIEW - SAFE RESOLUTION GATE] Governing documents omit the mandatory MCL 559.157(2) - (3) requirement that associations with annual revenues over $20,000 undergo an annual independent CPA audit or review unless opted out annually by majority co-owner vote.

Statutory / Legal Reference: MCL § 450.2304 & § 450.2101 - 450.3192 (Michigan Nonprofit Corporation Act & Common-Law Servitudes)

Statutory Comparison: Under MCL 559.157(2) - (3), an association of co-owners with annual revenues greater than $20,000 must on an annual basis have its books, records, and financial statements independently audited or reviewed by a certified public accountant, unless the association opts out of that requirement on an annual basis by an affirmative vote of a majority of its members.

CURRENT WORDING IN DOCUMENT:
SUBDIVISION SPONSORED COMMUNITY EVENT EVENTS The cornerstone village association sponsors numerous community events throughout the year. These events include an Easter celebration which includes a visit from the Easter Bunny along with an Easter egg hunt (Parents are encouraged to take photographs and share them with the association for display in the...

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):
Pursuant to MCL 559.157(2) - (3), if the Association's annual revenues exceed $20,000, the Association shall annually have its books, records, and financial statements independently audited or reviewed by a Certified Public Accountant, unless the Co-owners opt out of the...