

Section 3.7. - Sample Provision Excerpt (Public Preview)

A director may resign at any time by giving written notice or email communication to the Secretary or President of the corporation. The resignation is effective without acceptance when the notice is given to the corporation, unless a later effective time is specified in the notice.

ISSUE #1



MARKUP #1 ->



MARKUP #1 · MANDATORY RESERVE & DEFICIT DISCLOSURE

BOARD & COUNSEL REVIEW

Sec. 3.7. (p. 3): Governing documents omit the mandatory MCIOA requirement to fund adequate replacement reserves and re-evaluate reserve adequacy at least once every third year.

Statutory / Legal Reference: Minn. Stat. § 515B.3-114(a)(2) & 515B.3-1141

Statutory Comparison: Under Minn. Stat. §§ 515B.3-114(a)(2) and 515B.3-1141, the association must include adequate replacement reserves in its annual budget and must re-evaluate the adequacy of its budgeted replacement reserves at least every third year after the recording of the declaration.

CURRENT WORDING IN DOCUMENT:

A director may resign at any time by giving written notice or email communication to the Secretary or President of the corporation. The resignation is effective without acceptance when the notice is given to the corporation, unless a later effective time is specified in the notice.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Pursuant to Minn. Stat. §§ 515B.3-114 and 515B.3-1141, the Association shall include in its annual budgets replacement reserves projected by the Board to be adequate to fund the replacement of all common elements that the Association is obligated to replace, and the Board shall re-evaluate the adequacy of its budgeted replacement reserves at least every third year.