

Section 7.2 - Sample Provision Excerpt (Public Preview)

Working Capital Fund. The Association shall establish and maintain a checking account in a federally insured financial institution to be known as the "Working Capital Fund". This fund will be used for the normal operation of the Subdivision and will receive all monthly Assessments, first purchasers' initial contributions to the fund, and other monies...

ISSUE #1



MARKUP #1 ->



MARKUP #1 · POTENTIAL ISSUE FOR REVIEW · RESERVE / SIRS

BOARD & COUNSEL REVIEW

Sec. 7.2 (p. 11): Potential Issue for Review: Reserve provisions omit the mandatory annual reserve study update and triennial visual site inspection by a reserve study professional under RCW 64.90.545 - look for this language in other governing documents, standalone policies, or amendments that were not included in this review.

Statutory / Legal Reference: RCW 64.90.545 (WUCIOA / SB 5796)

Statutory Comparison: Under RCW 64.90.545 (WUCIOA / SB 5796), unless statutorily exempt, an association must prepare and update a reserve study annually and obtain an updated reserve study with a visual site inspection by a reserve study professional at least once every three (3) years.

CURRENT WORDING IN DOCUMENT:

Working Capital Fund. The Association shall establish and maintain a checking account in a federally insured financial institution to be known as the "Working Capital Fund". This fund will be used for the normal operation of the Subdivision and will receive all monthly Assessments, first purchasers' initial contributions to the fund, and other monies...

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: Unless exempt under RCW 64.90.545(2), the Association shall prepare and update a reserve study annually in accordance with RCW 64.90.550, and an updated reserve study...