



An open letter to Homeowners

Did you know?

In 1999 to 2001, the units received new roofs and new paint. The Board in place at that time approved the expenditure of these repairs in good faith.

The contractor for the roof used substandard materials on all 137 units and the contractor hired to paint failed to replace dry-rot with new t-1-11 wood siding and on many units, painted over the existing dry-rot.

At the same time, the Association had only a part time Manager to oversee this major project.

There was no inspection done on the siding and paint projects, nor was payments withheld from the contractors who performed the unacceptable work.



New Approach

In 2001 Wildwood Homeowners Association hired its 1st full time Manager. He oversaw the final remaining work done on the units.

In 2003, the Manager realized the new roofs were a problem. An immediate patch job was done on those roofs that had obvious degradation...but it was just that a patch job.

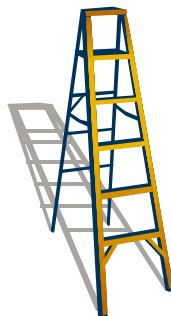
The Manager also took the initiative to pursue the contractor who installed the faulty roofs.

The roofing contractor retired to Mexico and his insurance company did not cooperate.

Wildwood applauds the Managers efforts...but the cost of legally pursuing the shady contractor was prohibitive when the money was needed to repair roofs again.

Further Discovery

Due to the severity of the dry rot problem on the south sides of several buildings, water intrusion was so severe in a few units that moisture ran down the interior walls.



December 2006 Newsletter

Board of Directors

Jeff Gates
President
Jackie Rose
Vice President
Lisa Lindsay
Secretary
Steve Snead
Treasurer
Linda DeAngelo
Member-at-Large

Management Company

Reliable Assoc Management
(916) 564-2115
FAX (916) 564-2118
1600 Sac Inn Drive
Sacramento, CA

Wildwood Office

Lisa Lindsay
Contract Mgr.
(916) 821-7796
FAX (916) 392-3640

Attorney

Carter Glahn
(916) 929-8383

NEXT MEETING

Thursday, January 18, 2007
6:00 p.m.
4088 Savannah Lane
Sacramento, CA 95823

**SOME OF THE 2006
EXPENDITURES TO
DATE**

ROOF PATCHING –
137 UNITS =
APPROX **55,000**

SHED ROOFS = 120
UNITS

APPROX **60,000**

REPAIR AND BLACK TOP
ALL STREETS
CARPORTS, AND
DRIVEWAYS PAVEMENT
= APPROX **30,000**

T-1-11 WOOD TO
REPAIR ALL 137 UNITS =
APPROX **40,000**

PRIMER AND PAINT FOR
137 UNITS (23 BLDGS)
= APPROX **17,000**

SECURITY LIGHT
ADDITION – 14 BLDGS =
APPROX **6,000**

GUTTER
CLEANING/REPAIR FOR
137 GUTTERS =
APPROX **2,500**

COST OF LABOR TO
DATE FOR
CONSTRUCTION =
APPROX **30,000**

Total:
\$237,500.00

Where we Are Today

ROOFS

All 137 roofs have been repaired per the following:

- Missing or damaged shingles have been replaced
- All loose shingles were nailed back down
- Ridges were reinstalled properly
- Flashing was nailed down
- Step flashing was repaired and jacks were nailed down
- Damaged dormers were replaced
- All flashing, jacks and dormers were painted

WATER HEATER SHED ROOFS

Since July of 2006 approximately 120 water heater shed roofs have been re-engineered to a very moderate pitch to allow rain water to sheet off the roof...not to sit. The design was prototyped to accommodate the funds available for the shed roof expenditure. The poor construction of the water heater shed roofs was an additional cause of water intrusion and dry rot. The shed roofs were flat and therefore over the years the weight of rain water has caused a "bowl" effect in the roofs.

T-1-11 SIDING AND PAINT

The most severely damaged buildings have been reconstructed 1st. These addresses are:

4183 to 4197 Brookfield

4087 to 4097 Weymouth (in progress approx 60% complete)

4079 to 4085 Weymouth (approx 90% complete)

4074 to 4084 Weymouth (approx 90% complete)

4086 to 4100 Weymouth (approx 60% complete)

The plan is to complete a building per month starting after rainy season...hopefully around March 2007.



Worried about Reserves?

Davis-Stirling.com

ADAMS & KESSLER LLP
ATTORNEYS AT LAW

Blog Davis-Stirling Act Mediation Services Election Central Vendor Directory Job Market HOA Score Humor Manager Country Legal Services

Menu Newsletters Search Kudos Links Contact Us

association shall deposit all such funds that are not placed into an escrow account with a bank, sav ...

4. [Depleting Reserves](#)
Depleting Under-Funded Reserves. DEPLETING RESERVES. Q. Our board is faced with major repairs and under-funded reserves. Is our board allowed to deplete the association's reserves to make necessary repairs? A. Yes. Depending upon the maintenance projects involved, some associations have been forced to ...

5. [Fund Accounting](#)
Fund Accounting, operating fund, reserve fund. FUND ACCOUNTING. Because most associations are created as nonprofit mutual benefit corporations, fund accounting rather than "profit and loss" is the more appropriate method of reporting for monthly financial statements. Operating Fund. The operating fund is used for gen ...

6. [Resolution to Borrow from Reserves](#)
RESOLUTION To Borrow From Reserve Fund). WHEREAS, Section 1365.5 of the California Civil Code permits the Board to transfer money from the reserve fund to the Association's general operating funds to meet short-term cash flow

EMAIL THIS PRINT THIS

DEPLETING RESERVES

Q. Our board is faced with major repairs and under-funded reserves. Is our board allowed to deplete the association's reserves to make necessary repairs?

A. Yes. Depending upon the maintenance projects involved, some associations have been forced to make repairs even if it meant depleting their reserves. Boards have a duty to make appropriate repairs so as to preserve safety, ensure smooth operations, and preserve property values. If prior boards failed to adequately fund the reserves, current boards may be faced with immediate repairs and limited funding. Boards should not defer needed repairs for the sake of keeping money in reserves--if repairs need to be done (such as replacement of a roof) then the repairs should be done, even if it means depleting the reserves.

Rebuilding Reserves. The issue then becomes one of rebuilding the reserves. Some boards are able to rebuild reserves over time if there are no immediate projects following the initial work. Other boards may be forced to immediately increase dues and/or special assess to build reserves for subsequent projects. To lessen the impact on members, some boards may choose to borrow funds from a bank (with membership approval).



Factors to Consider. The direction a board takes will depend on the urgency of the repairs, their cost, the ability of the membership to absorb those costs, and the potential liability of delay. Delaying repairs could lead to litigation--an additional financial burden that is usually not worth the perceived benefit of delaying the repairs.

Updated 11/13/2006

WHAT IS THE DAVIS - STIRLING ACT?

Civil Code 1350 Title

This title shall be known and may be cited as the Davis-Stirling Common Interest Development Act.

Civil Code 1352 Creation of Common Interest Development and Applicability of this Act

This title applies and a common interest development is created whenever a separate interest coupled with an interest in the common area or membership in the association is, or has been, conveyed, provided, all of the following are recorded:

(a) A declaration. (b) A condominium plan, if any exists.

(c) A final map or parcel map, if Division 2 (commencing with Section 66410) of Title 7 of the Government Code requires the recording of either a final map or parcel map for the common interest development.

HIERARCHY OF DOCUMENTS

Common interest developments have a number of documents controlling the development. Not all documents are created equal--some have more authority than others. The hierarchy of authority among documents is as follows:

Davis – Stirling Act then:

1. Recorded map or condominium plan
2. Declaration of Covenants, Conditions and Restrictions (CC&Rs)
3. Articles of Incorporation
4. Bylaws
5. Rules and Regulations

Conflicts between documents can often be resolved by referring to the hierarchy of authority. However, statutes and case law may also control particular issues. Boards should seek a legal opinion whenever they discover a conflict.

Updated 11/16/2006

5 WAYS TO SPREAD **HOLIDAY** CHEER



1. *Adopt a Family*
There are many families with parents who want to but can not afford to give their children a meaningful holiday. You can help make dreams come true...



2. *Visit seniors in nursing facilities who may otherwise be alone during the Holiday. Maybe you can gather as a group make goodies and sing Caroles at a care facility.*



3. *Visit Shriners Hospital or any hospital with a Childrens ward. Play Santa to sick kids.*
4. *Donate time to serve meals at Fishes and Loaves or Salvation Army. Read stories to the homeless children at this facility.*



5. *Visit SPCA and donate time playing with the animals while they wait on homes. Walk doggies and help with adoption programs. Many pets at SPCA are used to families and lost their family for what wver reason.*