



Lake of the Pines Association Policies & Procedures

This policy is not an Operating Rule as defined in the Davis-Stirling Common Interest Development Act.

Fees & Charges

Whereas, the Association By-Laws, Article VIII, Section I (k) and CC&R, Article III, Section 2, establishes the responsibility and authority for the Board of Directors to "levy and collect assessments from the members of the Association in accordance with the declaration and as authorized by Article II, Section I(a), in the discretion of the Board, to establish and collect reasonable use charges for any, and all of the Common Facilities as the Board may deem necessary or desirable from time to time for the purpose of equitably allocating among the members and users, the cost of maintaining and operating the Common Facility for which the fee is imposed."

Therefore, be it resolved, that the Board of Directors hereby adopt the following Fees and Charges Policy:

A. Annual and Special Assessments

1. Imposed on members and affiliate members (LOP Ranchos) and allocated by the Board of Directors to:
 - a. The Operating and Maintenance (O&M) funds:
This revenue pays for O&M direct and indirect costs, including Capital Additions, not paid for by any other revenue.
The Capital Reserve Fund:
Allocated by the Board to pay for direct and indirect costs as defined by the Association's Policy, Page 3 of the Homeowner's Packet:
"The Capital Reserve is defined as the accumulated assessment specifically designated by the Board of Directors and interest earned on those assessments, that are to be used for the repair, restoration, replacement or maintenance of, or litigation involving the repair, restoration, replacement or maintenance of, major components which the Association is obligated to repair, restore, replace, or maintain under California Law, i.e., the Davis Stirling Common Interest Development Act, Sections 1364 and 1365.5"
2. Special Administrative Services Cost Recovery Fees:
These services are:
 - a. Property transfer of ownership and Association membership.
 - b. Private property dual usage.
 - c. Owner-Tenant.
 - d. Contractor's and Worker's passes.
 - e. Real Estate Agent/Broker passes.



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- f. Gate Entry Cards.
 - g. ECC Construction permits and services. Revenues from these ECC Fees are allocated to the O&M fund to offset the costs of providing the services.
3. Cost Offset Fees and Charges for:
- a. Food and Beverage Department services.
 - b. Building/Room use and services.
 - c. Swimming Pool use and services.
 - d. Recreation Program services.
 - e. Lake
 - f. Golf Course
 - g. Tennis Courts

The revenues from these Cost Offset Fees and Charges are allocated to the O&M fund to offset the direct and indirect cost of providing these services. However, due to their nature and the general benefits available to all Association members, the use fee structure should be established to maximize revenue to offset O&M as much as possible. A balance is sought in setting fees that will not be excessive (i.e., so high as to price the function/service out of business) but not overburden the Association members through excessive subsidies derived from assessments allocated to the O&M fund.

4. Recreational Vehicle Storage Facility:

User fee revenue collected in excess of maintenance costs for the RV Storage facility will be deposited in the Association's Capital Reserve fund to offset costs, future repair, restoration, replacement and maintenance of this facility and/or other Capital Facilities and Service.