

Title/Chapter/Section: [Search Code by Key Word](#)[Utah Code](#)[Title 57](#) Real Estate[Chapter 8a](#) Community Association Act**Section 211** Reserve analysis -- Reserve fund.**57-8a-211. Reserve analysis -- Reserve fund.**

(1) As used in this section, "reserve analysis" means an analysis to determine:

(a) the need for a reserve fund to accumulate money to cover the cost of repairing, replacing, and restoring common areas that have a useful life of three years or more, but excluding any cost that can reasonably be funded from the association's general budget or from other association funds; and

(b) the appropriate amount of any reserve fund.

(2) Except as otherwise provided in the governing documents, a board shall:

(a) (i) subject to Subsection (2)(a)(ii), cause a reserve analysis to be conducted no less frequently than every five years; and

(ii) if no reserve analysis has been conducted since March 1, 2008, cause a reserve analysis to be conducted before July 1, 2012; and

(b) review and, if necessary, update a previously conducted reserve analysis no less frequently than every two years.

(3) The board may conduct a reserve analysis itself or may engage a reliable person or organization, as determined by the board, to conduct the reserve analysis.

(4) (a) A board may not use money in a reserve fund:

(i) for daily maintenance expenses, unless a majority of association members vote to approve the use of reserve fund money for that purpose; or

(ii) for any purpose other than the purpose for which the reserve fund was established.

(b) A board shall maintain a reserve fund separate from other association funds.

(c) This Subsection (4) may not be construed to limit a board from prudently investing money in a reserve fund, subject to any investment constraints imposed by the governing documents.

(5) Subsections (2), (3), (4), and (6) do not apply to an association during the period of administrative control.

(6) An association shall:

(a) annually, at the annual meeting of lot owners or at a special meeting of lot owners:

(i) present the reserve study; and

(ii) provide an opportunity for lot owners to discuss reserves and to vote on whether to fund a reserve fund and, if so, how to fund it and in what amount;

(b) prepare and keep minutes of each meeting held under Subsection (6)(a) and indicate in the minutes any decision relating to funding a reserve fund.

(7) This section applies to each association, regardless of when the association was created.

Amended by Chapter 134, 2011 General Session

Download Code Section [Zipped](#) WordPerfect [57_08a021100.ZIP](#) 3,000 Bytes

[<< Previous Section \(57-8a-210\)](#) [Next Section \(57-8a-212\) >>](#)