

(a) Common expense budget:

- (i) Maintenance and operation of common area, limited common (that Association is to maintain) and facilities.
- (ii) Casualty insurance.
- (iii) Liability insurance.
- (iv) Administration.
- (v) Water and sewer charges if any.
- (vi) Charges for electricity and gas used in common areas.
- (vii) Other.

(b) Proposed assessments against each member:

- (i) Common expense budget.
- (ii) Other.

2. Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1 preceding the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned.

C. Bank Accounts. The depository of the Association shall be such bank or banks as shall be designated from time to time by the directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by the Manager.

D. Audit of Accounts. An audit of the accounts of the Association shall be made annually by a certified public accountant, or firm of accountants, and a copy of the report of such accountant with respect thereto shall be furnished to each member not later than April 1 of the year following the year for which the report is made.

E. Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors from all officers and employees of the Association handling or responsible for Association funds. The amount of such bonds shall be determined by the directors, but shall be at least an amount equal to one-sixth of the estimated total annual assessments against members for recurring expenses. The premiums on such bonds shall be paid by the Association.

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