

ARTICLE VII.

FISCAL MANAGEMENT:

Section 1. The fiscal year of the Association shall begin on the first day of January each year, except the first fiscal year of the Association shall begin at the date of organization. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors.

Section 2. Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with customary accounting principals and practices. Within a reasonable time after the close of each fiscal year, the Association shall furnish its members with a statement of the income and disbursements of the corporation for such prior fiscal year.

Section 3. With respect to each fiscal year, the Board shall estimate the amount required by the Association to meet its expenses for such year, including but not limited to the following items:

- (a) Management and administration expenses;
- (b) The estimated cost of repairs, maintenance and replacements of General and Limited Common Elements;
- (c) The cost of such utilities as may be furnished by the Association;
- (d) The amount of such reserves as may be reasonably established by the Board, including general operating reserves, reserves for contingencies, and reserves for replacements;
- (e) Such other expenses of the Association as may be approved by the Board of Directors including operating deficiencies, if any, for prior periods.

Within ninety (90) days from the commencement of each fiscal year, the Board of Directors shall cause an estimated annual budget to be prepared based on its estimations of annual expenses and membership assessments, and copies of such budget shall be furnished to each member.

On or before the first day of each month of the fiscal year covered by such estimated annual budget, each member shall pay as his respective monthly assessment one-twelfth (1/12) of his proportionate

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