

## CONDOMINIUM BY-LAWS

### ARTICLE IV, SECTION 3

#### Background:

An annual audit of the Condominium books and records is not required by law and would cost the Association in excess of \$2,000.

The Board of Directors believes that their monthly review of financial information, in combination with an annual review by a qualified independent auditor, will accomplish the same objectives as an audit at considerably less expense. Estimated cost of such a review is \$500.

#### Current Wording:

Books of Account. The Association shall keep books and records containing a detailed account of the expenditures and receipts affecting the administration of the Condominium, which shall specify the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the Association and its Co-Owners. Such accounts shall be open for inspection by the Co-Owners during reasonable working hours at a place to be designated by the Association, and the Association shall prepare therefrom, and distribute to all Co-Owners at least 2 times per year, a financial statement, the contents of which shall be defined by the Association. The books and records shall be audited annually by qualified independent Auditors (who need not be certified public accountants), and the cost of such audit shall be an expense of administration.

#### Proposed Wording:

Books of Account. The Association shall keep books and records containing a detailed account of the expenditures and receipts affecting the administration of the condominium, which shall specify the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the Association and its Co-Owners. Such accounts shall be open for inspection by the Co-Owners during reasonable working hours at a place to be designated by the Association, and the Association shall prepare therefrom, and distribute to all Co-Owners at least 2 TIMES PER YEAR, a financial statement, the contents of which shall be defined by the Association. The books and records SHALL BE REVIEWED BY QUALIFIED INDEPENDENT AUDITORS (WHO NEED NOT BE CERTIFIED PUBLIC ACCOUNTANTS), AND THE COST OF SUCH REVIEW SHALL BE AN EXPENSE OF ADMINISTRATION.

## CONDOMINIUM BY-LAWS

### ARTICLE VI, SECTION 2(d)

#### **Background:**

Our current insurance carrier insures all improvements and betterments made to individual units. It makes no differentiation between elements which are common or limited common or requiring Association or co-owner responsibility for repair and maintenance.

This proposed addition to the By-Laws specifies that if the insured item is one for which the co-owner is responsible according to the Master Deed, the co-owner is also responsible for the amount of deductible due the Association's insurance carrier. This is currently \$1,000.

Individual co-owners may wish to review current insurance coverage with their agent or other qualified insurance representative.

#### **Proposed Addition:**

Notwithstanding any other provision of this Section 2, a co-owner shall, upon receipt of a written demand, reimburse the Association the deductible amount on any Association insurance policy if proceeds from that policy have been used for repair or replacement of any part of a co-owner's unit or any general or limited common element which the co-owner is responsible for maintaining or repairing by the terms of the Master Deed. Any amount unpaid more than one month after the written notice described shall be collectible in the same manner as a defaulted assessment as provided in Article V of these By-Laws.

## ASSOCIATION BY-LAWS

### ARTICLE II, SECTION 8 MEETINGS AND QUORUM

#### Background:

This Article in the Association's By-Laws concerning the convening of co-owners is confusing and cumbersome.

The proposed change makes it easier to call a meeting of co-owners.

#### Current Wording:

Notice and Mailing. All written notices required to be given by any provision of these By-Laws shall state the authority pursuant to which they are issued (as, "by order of the President" or "by order of the Board of Directors", as the case may be) and shall bear the written, printed or typed signature of the Secretary. Each such notice shall be deemed duly served when it has been deposited in the United States mail, with postage fully prepaid, plainly addressed to the addressee at his, her or its last address appearing upon the membership records of the Corporation.

#### Proposed Wording:

Notice and Mailing: ALL WRITTEN NOTICES REQUIRED TO BE GIVEN BY AND PROVISION OF THESE BY-LAWS SHALL BE DEEMED DULY SERVED WHEN DEPOSITED IN THE UNITED STATES MAIL, POSTAGE PREPAID, PLAINLY ADDRESSED TO THE CO-OWNER AT HIS, HER OR ITS LAST ADDRESS APPEARING UPON THE MEMBERSHIP RECORDS OF THE CORPORATION.