

COMMON INTEREST COMMUNITY ASSOCIATION ACT (CICAA)

765 ILCS 160/1-1 et. seq.; Effective January 1, 2020 - Last Amended August 24, 2017

Section 1-45. Finances

(a) Each member shall receive through a prescribed delivery method, at least 30 days but not more than 60 days prior to the adoption thereof by the board, a copy of the proposed annual budget together with an indication of which portions are intended for reserves, capital expenditures or repairs or payment of real estate taxes.

(b) The board shall provide all members with a reasonably detailed summary of the receipts, common expenses, and reserves for the preceding budget year. The board shall (i) make available for review to all members an itemized accounting of the common expenses for the preceding year actually incurred or paid, together with an indication of which portions were for reserves, capital expenditures or repairs or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the budget or assessment, and showing the net excess or deficit of income over expenditures plus reserves or (ii) provide a consolidated annual independent audit report of the financial status of all fund accounts within the association.

(c) If an adopted budget or any separate assessment adopted by the board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding 115% of the sum of all regular and separate assessments payable during the preceding fiscal year, the common interest community association, upon written petition by members with 20% of the votes of the association delivered to the board within 14 days of the board action, shall call a meeting of the members within 30 days of the date of delivery of the petition to consider the budget or separate assessment; unless a majority of the total votes of the members are cast at the meeting to reject the budget or separate assessment, it shall be deemed ratified.

(d) If total common expenses exceed the total amount of the approved and adopted budget, the common interest community association shall disclose this variance to all its members and specifically identify the subsequent assessments needed to offset this variance in future budgets

(e) Separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the board without being subject to member approval or the provisions of subsection (c) or (f) of this Section. As used herein, "emergency" means a danger to or a compromise of the structural integrity of the common areas or any of the common facilities of the common interest community. "Emergency" also includes a danger to the life, health or safety of the membership.

(f) Assessments for additions and alterations to the common areas or to association-owned property not included in the adopted annual budget, shall be separately assessed and are subject to approval of a simple majority of the total members at a meeting called for that purpose.

(g) The board may adopt separate assessments payable over more than one fiscal year. With respect to multi-year assessments not governed by subsections (e) and (f) of this Section, the entire amount of the multi-year assessment shall be deemed considered and authorized in the first fiscal year in which the assessment is approved.

(h) The board of a common interest community association shall have the authority to establish and maintain a system of master metering of public utility services to collect payments in conjunction therewith, subject to the requirements of the Tenant Utility Payment Disclosure Act.

(i) An association subject to this Act that consists of 100 or more units shall use generally accepted accounting principles in fulfilling any accounting obligations under this Act.