515B.3-106 BYLAWS; ANNUAL REPORT.

(a) A common interest community shall have bylaws which comply with this chapter and the statute under which the association is incorporated. The bylaws and any amendments may be recorded, but need not be recorded to be effective unless so provided in the bylaws. To be eligible for recording on or after August 1, 2026, bylaws or bylaw amendments must be executed by the association.

(b) The bylaws shall provide that, in addition to any statutory requirements:

(1) A meeting of the members shall be held at least once each year, and a specified officer of the association shall give notice of the meeting as provided in section 515B.3-108.

(2) An annual report shall be prepared by the association and a copy of the report shall be provided to each unit owner at or prior to the annual meeting.

(c) The annual report shall contain at a minimum:

(1) a statement of any capital expenditures in excess of two percent of the current budget or $5,000, whichever is greater, approved by the association for the current fiscal year or succeeding two fiscal years;

(2) a statement of the association's total replacement reserves, the components of the common interest community for which the reserves are set aside, and the amounts of the reserves, if any, that the board has allocated for the replacement of each of those components;

(3) a copy of the statement of revenues and expenses for the association's last fiscal year, and a balance sheet as of the end of said fiscal year;

(4) a statement of the status of any pending litigation or judgments to which the association is a party;

(5) a detailed description of the insurance coverage provided by the association including a statement as to which, if any, of the items referred to in section 515B.3-113(b), are insured by the association and the amount of the association's deductible and the following notice: "IF THE ASSOCIATION LEVIES A LOSS ASSESSMENT, THE UNIT OWNER IS PERSONALLY RESPONSIBLE FOR PAYING IT, EVEN IF THE UNIT OWNER DOES NOT HAVE SUFFICIENT INSURANCE COVERAGE"; and

(6) a statement of the total past due assessments on all units, current as of not more than 60 days prior to the date of the meeting.

History: *1993 c 222 art 3 s 6; 1999 c 11 art 2 s 19; 2005 c 121 s 25; 2010 c 267 art 3 s 6; 2026 c 61 s 22; 2026 c 82 s 5*