

1.1 Senator moves to amend S.F. No. 4053 as follows:

1.2 Page 41, line 31, after the period, insert "Fiscal reports must comply with the requirements
1.3 of section 308C.512."

1.4 Page 42, after line 17, insert:

1.5 "Sec. 42. [308C.512] FISCAL REPORT REQUIREMENTS.

1.6 (a) Subject to any additional or greater requirements set forth in the declaration or bylaws,
1.7 a review of the association's financial statements shall be made at the end of the association's
1.8 fiscal year. The reviewed financial statements shall be delivered to all members of the
1.9 association within 90 days after the end of the association's fiscal year.

1.10 (b) The review shall be made by a licensed, independent certified public accountant. A
1.11 licensed, independent certified public accountant means an accountant who (1) is not an
1.12 employee of the declarant or its affiliates, (2) is professionally independent of the control
1.13 of the declarant or its affiliates, (3) is licensed in accordance with chapter 326A, and (4)
1.14 satisfies the tests for independence as promulgated by the American Institute of Certified
1.15 Public Accountants.

1.16 (c) Where the financial statements are prepared by an independent certified public
1.17 accountant, they shall be prepared in accordance with generally accepted accounting
1.18 principles as established from time to time by the American Institute of Certified Public
1.19 Accountants, and shall be reviewed in accordance with standards for accounting and review
1.20 services. In such case, the financial statements shall be presented on the full accrual basis
1.21 using an accounting format that separates operating activity from replacement reserve
1.22 activity."

1.23 Renumber the sections in sequence and correct the internal references

1.24 Amend the title accordingly