

BELLA BEACH HOMEOWNERS' ASSOCIATION
Resolution of the Board of Directors

RECORDS RESOLUTION

RECITALS

- A. This Resolution is adopted by the Board of Directors of the Bella Beach Homeowners' Association, an Oregon nonprofit corporation ("**Association**"). The Association is charged with the operation and management of the Bella Beach Subdivision, an Oregon planned community located in Lincoln County, Oregon ("**Community**"). The Association is governed by the following documents recorded in the records of Lincoln County, Oregon:
1. Declaration of Covenants, Conditions, Restrictions and Easements for Lots 1 Through 88, Bella Beach And For Those Lots Described in Exhibits A B, C, and D, In Lincoln County, Oregon, recorded November 2, 2000, as Document No. 6235084532, including any amendments and supplements thereto ("**Declaration**");
 2. Declaration of Annexation to Bella Beach and First Amendment of the Declaration of Protective Covenants, Conditions, Restrictions and Easements for Bella Beach, recorded on October 4, 2004 as Document No. 200415078;
 3. Declaration of Annexation to Bella Beach and Second Amendment of the Declaration of Protective Covenants, Conditions, Restrictions and Easements for Bella Beach, recorded on April 4, 2006 as Document No. 200605118;
 4. Bylaws of Bella Beach Homeowners' Association, recorded December 7, 2001, as Document No. 6253221, including any amendments and supplements thereto ("**Bylaws**");
 5. Plat of Bella Beach, Phase 1, recorded on August 29, 2000 in Book 16, Page 44, Plat records.
 6. Plat of Bella Beach, Phase 2, recorded on November 2, 2000 in Book 16, Page 46, Plat records.
 7. Plat of Bella Beach Phase 3, recorded on July 25, 2003 in Book 17, Page 15, Plat records.
 8. Plat of Bella Beach Phase 4, recorded on July 25, 2003 in Book 17, Page 16, Plat records.
 9. Plat of Bella Beach Phase 5, recorded on September 16, 2004 in Book 17, Page 27, Plat records.

10. Plat of Bella Beach Phase 6, recorded on September 9, 2004 in Book 14, Page 26, Plat records (collectively, the “**Plat**”); and
11. Bella Beach Homeowners’ Association Articles of Incorporation, filed September 21, 2000, with the Corporation Division, Oregon Secretary of State (“**Articles**”).

The Association is also governed by the Oregon Planned Community Act, ORS 94.550-94.783, and the Oregon Nonprofit Corporation Act, ORS chapter 65.

- B. ORS 94.625 and ORS 94.630 provide that a homeowners association serves as the means through which the members may take action with regard to the administration, management, and operation of the Community. Articles II, III, and V of the Articles, and Article 3, Section 3.1 provides that the management of the business and affairs of the Association is vested in the Board of Directors (“**Board**”).
- C. ORS 94.630, Article V of the Articles, and Article III, Section 3.2 of the Bylaws vest the Board with all of the powers and duties necessary for the administration of the affairs of the Association.
- D. ORS 94.630(1)(a), Article IV, Section 4.3 of the Declaration, and Article III, Section 3.3.8 and Article 6, Section 6.8 of the Bylaws empower the Board to adopt rules and regulations.
- E. ORS 94.670(12), Article XI, Section 11.1 of the Declaration, and Article 8, Section 8.1 of the Bylaws authorize the Board of Directors, by resolution, to adopt reasonable rules governing the frequency, time, location, notice, and manner of examination and duplication of Association records, designating information relating to Association employees or Members as confidential and not available for inspection, and imposing a reasonable fee for furnishing copies of any documents, information or records described in this section. The fee may include reasonable personnel costs incurred to furnish the information.
- F. Article XI, Section 11.1 of the Declaration requires the Association “to keep detailed and accurate financial records, including individual assessment accounts of Owners, the balance sheet, and income and expense statements. Article 8, Section 8.1 of the Bylaws requires the Association to “maintain a list of Owners entitled to vote at meetings of the Association and a list of all mortgagees of Lots.”
- G. Both the Declaration and the Bylaws refer to the records of the Association, and ORS 94.670(1)(a) requires the Association to retain “documents, information and records” delivered at turnover, and “all other records of the Association.” However, the Act, Declaration, and Bylaws do not define what are included in the definition of “Association records,” and the Declaration and Bylaws do not specify for how long such records must be kept.
- H. ORS 94.670(1) requires the Association to retain the documents, information, and records provided by the Declarant at turnover of administrative control of the Association from the Declarant to the owners for the time period specified in ORS 65.771.

- I. ORS 94.670(1) requires the Association to retain a copy of the following records, if available, permanently:
1. The as-built architectural, structural, engineering, mechanical, electrical and plumbing plans;
 2. The original specifications, indicating all subsequent material changes;
 3. The plans for underground site service, site grading, drainage and landscaping together with cable television drawings;
 4. Any other plans and information relevant to future repair or maintenance of the property; and
 5. A list of the general contractor and the electrical, heating and plumbing subcontractors responsible for construction or installation of common property.
- J. ORS 94.670(1) requires the Association to retain proxies and ballots for one (1) year from the date of determination of the vote, except proxies and ballots relating to an amendment to the Declaration, Bylaws or other governing document, which must be retained for one year from the date the amendment is recorded.
- K. ORS 94.670(2) requires that the Association retain the following records:
1. Records of assessments, including declarant subsidies and all other Association funds, including all bank records; and
 2. Annual financial statement, consisting of a balance sheet and income and expenses statement for the preceding fiscal year.
- L. ORS 94.670(3) requires the Association to keep financial records sufficiently detailed for proper accounting purposes.
- M. ORS 94.670(10) requires the Association to retain the following records, suitable for the purpose of duplication:
1. The Declaration and Bylaws, including amendments or supplements in effect, the recorded Plat, and the Association rules and regulations currently in effect;
 2. The most recent financial statement of the Association;
 3. The current operating budget;
 4. The reserve study; and
 5. Architectural standards and guidelines.

- N. ORS 65.771(1) requires the Association to keep the following records as permanent records of the Association:
1. Minutes of all owner meetings;
 2. Minutes of all Board meetings;
 3. Records of all corporate action taken by the owners without a meeting;
 4. Records of all corporate action taken by directors without a meeting; and
 5. Records of all actions taken by committees of the Board in place of the Board on behalf of the Association.
- O. ORS 65.771(3) requires the Association to retain and maintain a record of its members in a form that permits preparation of a list of the name and address of all members, in alphabetical order by class showing the number of votes each member is entitled to vote.
- P. ORS 65.771(4) requires the Association to retain its records in written form or in another form capable of conversion into written form within a reasonable time.
- Q. ORS 65.771(5) requires the Association to retain a copy of all resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations and obligations of members.
- R. ORS 65.771(5) requires the Association to retain a copy of the Articles or Restated Articles of Incorporation, and all amendments to them, which are currently in effect.
- S. ORS 65.771(5) requires the Association to retain a list of the names and business or home addresses of the current directors and officers.
- T. ORS 65.771(5) requires the Association to retain the most recent annual report submitted to the Secretary of State.
- U. ORS 65.771(5) requires the Association to retain the following records for inspection by members for a period of three (3) years:
1. Minutes of all meetings of members;
 2. Records of all actions approved by the members;
 3. Written communications required by ORS chapter 65 and regarding general membership matters made to the members;
 4. Last three annual financial statements; and

5. The last three accountant's reports if annual financial statements are reported upon by a public accountant.
- V. ORS 65.774 provides that a member of a corporation may inspect and copy the records identified in ORS 65.774(2) only if:
1. The member's demand is made in good faith and for a proper purpose;
 2. The member describes with reasonable particularity the purpose and the records the member desires to inspect; and
 3. The records are directly connected with this purpose.
- W. The Board recognizes that there are costs associated with furnishing this information, including costs of duplication, mailing, and personnel.
- X. Accordingly, the Board deems it in the Association's best interest to adopt a uniform and systematic procedure for the request and inspection of Association records, to specify certain items that are or are not included in the term "Association records," and to establish a policy for the durations for retaining the various Association records.

RESOLUTIONS

I. NOW THEREFORE IT IS RESOLVED that all prior resolutions, procedures or protocols of the Board relating to the inspection, duplication, and retention of Association records are hereby revoked and are of no further force or effect.

II. NOW THEREFORE IT IS FURTHER RESOLVED that pursuant to the authority granted in ORS 94.670, that the rules and procedures set forth below shall be the process for handling Members' requests for and inspection of Association records.

ARTICLE 1 Definitions

All terms defined in the Declaration, Bylaws, or Articles shall have the same meaning in this Resolution as in the Declaration, Bylaws, or Articles.

ARTICLE 2 Association Records

1. **Availability of Association Records.** The Association shall make reasonably available to Members all records required under Article XI, Section 11.1 of the Declaration, Article 8

of the Bylaws, and ORS 94.616, ORS 94.670, and ORS 65.771. Such records are referred to as “Association Records” in this Resolution.

2. **Personal Records.** Any records or information related to or arising from the Association or its membership, operations, administration, or management that is the personal property of any Board member, officer, manager, or employee, including but not limited to, information stored in a personal email account, voicemail, text message or other electronically stored information, are not Association Records. Such personal records or information are referred to as “Personal Records” in this Resolution. Personal Records do not constitute books, records, financial statements or the current operating budget kept by or on behalf of the Association. Personal Records are not in the possession, custody, or control of the Association even if such Personal Records relate to Association business.
3. **Length of Time for Retaining Records.** The Association shall keep all Association Records required under ORS 94.616, ORS 94.670, and ORS 65.771 for the durations specified in the attached Exhibit A to this Resolution. However, because electronic storage of documents is easy and inexpensive, nothing in this Resolution or Exhibit A shall prohibit the Association from keeping all documents permanently in an electronic format.

ARTICLE 3

Procedure for Requesting Inspection of Records

1. **Person to Receive Requests.** All requests for duplication or inspection of Association Records shall be made to the Association’s manager. If the Association has not employed a manager, then all such requests shall be made to the Secretary of the Association.
2. **Contents of Request.** All requests for inspection of Association Records shall be in writing and shall:
 - (a) Describe with reasonable particularity the purpose of the inspection and the Association Records the Member desires to inspect, and
 - (b) State whether the Member intends to make copies of any Association Records.
3. **Owner Lists.** This Article does not affect the right of a Member to inspect Member lists as required by ORS 65.224, or, if the Member is in litigation with the Association, to the same extent as any other litigant. The Association may comply with a Member’s request to inspect the Member list by providing the Member with a list of the Members that was compiled no earlier than the date of the Member’s request.
4. **Requests by Agents.** A Member’s agent or attorney has the same inspection and copying rights as the Member the agent or attorney represents. The Association may withhold inspection of Association Records if the Member’s agent or attorney fails to provide written proof of an agency relationship with the Member.
5. **Time and Location for Inspection.**

- (a) Inspection of Association Records shall only be granted during normal business hours on weekdays.
 - (b) The requesting Member must provide the Secretary or manager with at least five (5) business days' notice before the day on which the Member desires to inspect the Association Records specified in ORS 65.771(5) (except for those specified in ORS 94.670(10)).
 - (c) The requesting Member must provide the Secretary or manager with at least ten (10) business days' notice before the day on which the Member desires to inspect the Association Records specified in ORS 94.670(10).
 - (d) For the inspection of all other Association Records not addressed in subsections (b) and (c) above, the Secretary or manager shall respond to the requesting Member within a reasonable time to determine a mutually-agreeable meeting time and location to conduct the inspection of Association Records.
 - (e) All Association Records must be examined at the Association's community center or at another location approved by the Board of Directors. Association Records may not be removed from the location of the inspection.
6. **Frequency of Inspections.** A Member may not make a request to inspect Association Records more than one (1) time in any 30-day period, except with prior permission from the Board.
7. **Compensation during Inspection.**
- (a) If the Secretary or Board deems it necessary to monitor the inspection of Association Records, the Member shall be responsible for any costs to compensate the manager, employee or independent contractor of the Association (including legal counsel) for time spent during the inspection.
 - (b) The Association may assess the amount of the cost to monitor the inspection of Association Records or the cost to gather the requested Association Records exclusively against the Member and the Member's Lot or Unit pursuant to ORS 94.670(12) and ORS 94.704(8).
 - (c) Personnel time for gathering the requested Association Records or monitoring the examination of Association Records will be billed to Members at the rate published in the annual rate sheet prepared by the Board and published to the Members. If a rate sheet is not published for a particular year, then the rate will be the rate charged in the most recent year in which a rate sheet was published. A minimum of a quarter hour will be billed for any examination.

- (d) Personnel time for examination of Association Records will be billed to Members at the normal rate charged to the Association by an independent contractor, including the Association's attorney, if an independent contractor, including the Association's attorney, is needed to monitor the inspection of Association records. The rate shall be chargeable to the nearest quarter hour.
8. **Fees for Copies.** For any copies made pursuant to ORS 94.670(12) for 8.5" by 11" sized-pages, the requesting Member shall pay the rate published in the annual rate sheet prepared by the Board and published to the Members. If a rate sheet is not published for a particular year, then the rate will be the rate charged in the most recent year in which a rate sheet was published. Larger pages will be billed by actual cost for outside companies to provide copies. The Secretary or manager shall not deliver any copies to the Member until payment is received. In the event that the request for copies is in electronic format, the requesting Member shall provide the appropriate storage device for providing said records.
 9. **Rate Sheet for Personnel Time and Copy Charges.** The rate sheet adopted by the Board setting forth the charges for personnel time and copy charges described paragraphs 7 and 8 of this Article shall be posted at the clubhouse and on the Association's website.
 10. **Electronic Copies.** The Secretary or manager may provide electronic copies in PDF form of any documents requested. If electronic copies are provided, the Member may still be charged personnel time for the time spent gathering and transmitting the copies by the manager, employee or independent contractor of the Association.
 11. **Records Withheld from Examination.** Unless the Board gives its prior approval, the records described in ORS 94.670(9)(b), or as amended, shall not be made available for examination. At the time of this Resolution such records that are withheld from examination include the following:
 - (a) Personnel matters relating to a specific identified person or a person's medical records.
 - (b) Contracts, leases, and other business transactions that are currently under negotiation to purchase or provide goods or services.
 - (c) Communications with legal counsel that relate to matters specified in subparagraphs (a) and (b) of this paragraph and the rights and duties of the Association regarding existing or potential litigation or criminal matters.
 - (d) Disclosure of information in violation of law.
 - (e) Documents, correspondence, or management or Board reports compiled for or on behalf of the Association or the Board of Directors by its agents or committees for consideration by the Board of Directors in executive session held in accordance with ORS 94.644(2).

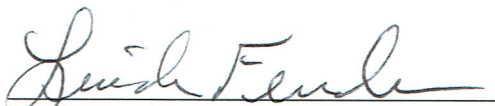
- (f) Documents, correspondence or other matters considered by the Board of Directors in executive session held in accordance with ORS 94.644(2).
 - (g) Files of individual Members, other than those of a requesting Member or requesting agent, attorney or mortgagee of an individual Member, including any individual Member's file kept by or on behalf of the Association.
12. **Decision.** Requests must be made in good faith and for a proper purpose. The Secretary or Board may deny a request to inspect any Association Records upon reasonable belief that making them available will infringe upon the legal right of another Member or that the request was not made in good faith or for a proper purpose.
13. **Appeal.** If the Secretary denies a request to inspect Association Records, the Secretary shall notify the Member in writing stating the reasons for the denial within ten (10) days. The Member may appeal the decision to the Board within ten (10) days after the decision by making a written request to the Board asking for review of the decision. The Member shall be given notice and opportunity to be heard at the next regular meeting of the Board. The Board shall notify the Member in writing of its decision on the appeal within ten (10) days of its next regular meeting.

ARTICLE 4
Court-Ordered Inspections

Nothing in this Article limits the Association's obligation to make any Association Records or Personal Records available pursuant to a court order under ORS 65.781. Disclosure of Association Records or Personal Records pursuant to a court order or subpoena shall in no event be deemed a waiver of the Association's rights under this Resolution.

III. BE IT FURTHER RESOLVED THAT a copy of this Resolution be delivered to each Member either in person, by mail to the mailing address of the Lot or Unit, or to the mailing address designated in writing by the Member.

Date: 1-25-23



Linda Fender, President
Bella Beach Homeowners' Association



Charles Craig, Secretary
Bella Beach Homeowners' Association