

THE CAPES HOMEOWNERS' ASSOCIATION, INC.

Resolution of the Board of Directors

RECORDS RESOLUTION

RECITALS

A. The Capes Homeowners' Association, Inc. ("The Capes" or "Community") is a planned community located in the city of Oceanside, Tillamook County, Oregon. The Community was established and is governed by the Oregon Planned Community Act ("Act"), ORS chapter 94, and the documents set forth below, recorded in the Records of Tillamook County, Oregon:

Amended and Restated Declaration of Covenants, Conditions and Restrictions for the Capes recorded on April 18, 2003 as Document No. 2003-419490, and any amendments or supplements thereto;

Fourth Amendment to Bylaws The Capes Homeowners' Association, Inc. recorded on October 29, 2010 as Document No. 2010-006541, and any amendments or supplements thereto;

B. "Association" is the Capes Homeowners Association, Inc., an Oregon nonprofit corporation formed by Articles of Incorporation, filed April 24, 1992, with the office of the Oregon Secretary of State, Corporation Division, and is additionally governed by the provisions of the Oregon Nonprofit Corporation Act, ORS chapter 65.

C. ORS 94.630(1)(r) and Article III, Section 3 of the Bylaws vest the Board of Directors (the "Board") with all of the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties which the Declaration or Bylaws specifically reserve for the owners.

D. ORS 94.630(1)(a) and Article XIV of the Bylaws empower the Board to adopt rules and regulations for the Association and enforce compliance with the Declaration, Bylaws and administrative rules and regulations.

E. ORS 94.670(12) allows 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 and the imposition of a reasonable fee for furnishing copies of any documents, information or records requested. The fee may include reasonable personnel costs incurred to furnish the information.

F. Article XII of the Bylaws identifies records that the Association is required to maintain but not the length of time the records must be kept.

G. Article XIV of the Bylaws also authorizes the Board to adopt rules for the use of the facilities and the conduct of the Owners.

H. ORS 94.670(1) requires the Association to retain the documents, information, and records provided by the Declarant at the turnover of administrative control of the Association from the Declarant to the owners for the time period specified in ORS 65.771.

I. Article XII, Section 1 of the Bylaws and 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 the 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 of Director 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;
5. Records of all actions taken by committees of the Board of Directors in place of the Board of Directors 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 the 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 that 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 owners 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. Article XII of the Bylaws provides that the Board must make certain records of the Association available for inspection and copy them as identified in Article XII "during normal business hours or under other reasonable circumstances..."

X. ORS 94.670(9)(b) provides that records kept by or on behalf of the Association may be withheld from examination and duplication to the extent the records concern:

1. Personnel matters relating to a specific identified person or a person's medical records;
2. Contracts, leases, and other business transactions that are currently under negotiation to purchase or provide goods or services;
3. Communications with legal counsel that relate to matters specified in subparagraphs (1) and (2) of this Recital X and the rights and duties of the Association regarding existing or potential litigation or criminal matters;
4. Disclosure of information in violation of law;

5. 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 94.640 (8);
6. Documents, correspondence, or other matters considered by the Board of Directors in executive session held in accordance with ORS 94.640 (8); and
7. Files of individual owners, other than those of a requesting owner or requesting mortgagee of an individual owner, including any individual owner's file kept by or on behalf of the Association.

Y. The Board of Directors recognizes there are costs associated with furnishing this information, including costs of duplication, mailing, and personnel.

Z. The Board deems it in the Association's best interest to adopt a uniform and systematic procedure for requesting and inspecting Association records.

RESOLUTION

NOW, THEREFORE, IT IS RESOLVED that:

- I. This Resolution revokes any prior resolution or procedure for handling requests for the storage of Association records and processing requests for Association records by owners.
- II. The procedure below shall now be the process for determining what constitutes an Association record, how long records need to be kept, and handling requests from owners for access to view and copy Association records.

ARTICLE 1 **Association Records**

1. **Availability of Documents.** The Association shall make reasonably available to owners all documents required under XII of the Bylaws and ORS 94.616, ORS 94.670, and ORS 65.771. Such documents are referred to as "Documents" in this Resolution.
2. **Personal Records.** Any records or information that is the personal property of any Board member, officer, or manager, including but not limited to information stored in a personal email account, voicemail, text message, or other electronically stored information, are not Association Documents. 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 Association's possession, custody, or control even if such Personal Records relate to Association business.

3. **Length of Time for Retaining Records.** The Association shall keep all Documents required under ORS 94.616, ORS 94.670, and ORS 65.771 for the duration specified in the attached Exhibit A to this Resolution and may destroy documents afterward. However, nothing in this Resolution or Exhibit A shall prohibit the Association from keeping all Documents permanently.

ARTICLE 2

Procedure for Requesting Copies or Inspection of Documents

1. **Person to Receive Requests.** All requests for copies, duplication, or inspection of Documents shall be made to the Association's Manager. If the Association has not employed a Manager, all such requests shall be made to the Secretary of the Association.

2. **Contents of Request.** All requests for inspection of Documents shall be in writing and shall:

- a. Describe with reasonable particularity the purpose of the inspection and the Documents the owner desires to inspect and
- b. State whether the owner intends to request copies of any Documents.

3. **Owner Lists.** This Article does not affect the right of an owner to inspect owner lists as required by ORS 65.224 or, if the owner is in litigation with the Association, to the same extent as any other litigant. The Association may comply with an owner's request to inspect the owners' list by providing the owner with a list of the owners that was compiled no earlier than the date of the owner's request.

4. **Scope of Inspection Right.** An owner's agent or attorney has the same inspection and copying rights as the owner the agent or attorney represents. The Association has the right to withhold inspection or copying of Documents if the owner's agent or attorney fails to provide written proof of agency.

5. **Time and Location for Inspection.** Requests for inspection or copies of documents shall only be granted during regular business hours on weekdays, with a minimum of five (5) business days' advance notice. The Manager or Secretary shall respond to the requesting owner within a reasonable time to determine a mutually agreeable meeting time and location to inspect Documents or make available copies of Documents.

6. **Frequency of Inspections.** An owner may only request to inspect or copy Documents one (1) time in any 30-day period. "Owner" shall include all persons owning the requesting owner's lot or property.

7. **Compensation during Inspection.** If the Manager or Secretary deems it necessary to monitor the inspection of Documents, the requesting owner shall be responsible for any costs to

compensate the Manager, Secretary, or delegate for time spent during the inspection, as outlined in section 8.

8. **Fees.**

a. **For Copies.** Pursuant to ORS 94.670(12), the requesting owner shall pay the standard published and contracted rates adopted from time to time by the Board of Directors. The starting rate shall be 25¢ per page for black and white copies, and 70¢ per page for color copies. If, for operational or other reasons, the Manager or Secretary uses the services of an outside facility or contractor to photocopy requested records, the charge shall be the actual costs incurred, including, without limitation, time, mileage reimbursement, or courier charges. "Page" refers to the number of copies produced, either 8 1/2 x 11 or 8 1/2 x 14. A double-sided copy consists of two pages. The Manager or Secretary shall not deliver copies to the requesting owner until payment is received.

b. **For Time Putting Together Records.** The requesting owner shall pay hourly for the time spent monitoring, inspecting, gathering, and putting together the records requested by the requesting owner ("processing time"), whether performed by the Manager, Secretary, or other party designated by the Manager or Secretary. The rate shall be established by board resolution from time to time. The initial rate for processing time shall be \$75.00 per person/ hour. The Association will bill for the processing time in 6-minute increments.

c. **Deposit.** The Manager or Secretary may require the owner to make a deposit based on the Manager's or Secretary's estimate of the processing time and copy fees.

d. **Lien Against Lot.** In the event of non-payment of Fees under this section, the Association may assess the amount of any unpaid costs or Fees against a requesting owner's lot/unit pursuant to ORS 94.704(8), which assessment will constitute a lien upon the individual lot for any unpaid assessments. The lien includes interest, late charges, attorney fees, costs, or other amounts imposed under the declaration, bylaws, or other recorded governing document.

9. **Decision.** Requests must be made in good faith and for a proper purpose. The Manager or Secretary may deny a request to inspect any Documents upon reasonable belief that making them available will infringe upon the legal right of another owner.

10. **Appeal.** If the Manager or Secretary denies a request to inspect Documents, the Manager or Secretary shall notify the requesting owner in writing, stating the reasons for the denial, within ten (10) business days. The owner may appeal a denial by the Manager or Secretary to the Board of Directors within ten (10) business days after the denial by making a written request to the Board to review the decision. The owner shall be given notice and opportunity to be heard at the next regular meeting of the Board of Directors. The Board of Directors shall notify the owner in writing of its decision on the appeal within fifteen (15) business days of the Board of Directors' decision.

ARTICLE 3
Court-ordered Inspections

Nothing in this Resolution limits the Association's obligation to make any Documents or Personal Records available pursuant to a court order under ORS 65.781. Disclosure of Documents 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.

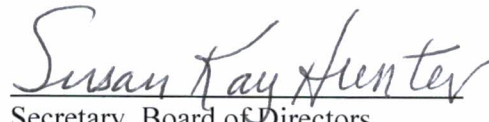
BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to owners 1) via electronic mail and by posting to the Association's community website www.thecapeshoa.org; or 2) via United States Postal Service to the last known address of any member who has opted out of electronic notifications in accordance with the Electronic Communications Resolution adopted on March 21, 2020.

BE IT FURTHER RESOLVED, that this Resolution shall become effective ten (10) days after the date adopted.

ATTEST:



President, Board of Directors
The Capes Homeowners' Association Inc.



Secretary, Board of Directors
The Capes Homeowners' Association Inc.

DATED: January 27, 2024.

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RECORDS RESOLUTION

EXHIBIT A

RECORDS RETENTION SCHEDULE

Document Type

Accountant's Reports if Financial Statements are Reported upon by Public Accountant	7 years
Accounting Records	7 years
Annual Reports	Permanently
Architectural Guidelines & Standards	Permanently
Articles of Incorporation	Permanently
As-Built Architectural Plans	Permanently
As-Built Structural Plans	Permanently
As-Built Engineering Plans	Permanently
As-Built Mechanical, Electrical, and Plumbing Plans	Permanently
Assessment Information	7 years
Assessment Status	7 years
Ballots (for owners meeting)	1 year from vote
Ballots (for governing document amendment)	1 year from recording
Bank Reconciliation	1 year
Budget	Permanently
Cancelled Checks and Bank Statements	7 years
Certificates of Insurance	11 years
Committee Reports	3 years
Communications with Owners Regarding General Membership Matters	7 years
Contracts	11 years
Correspondence: General Matters	3 years
Correspondence: Legal and Contract	Permanently
Declaration	Permanently

Document Type

Deeds	Permanently
Duplicate Deposit Tickets	1 year
Federal Income Tax Returns	Permanently
Financial Statements: End-of-Year	7 years
Financial Statements: Monthly	7 years
General Ledgers	Permanently
General Journals	Permanently
Identification Numbers (State & Federal)	Permanently
Insurance: Policies	11 years
Insurance: Declaration Page	Permanently
Insurance Claims: Open	Until settled
Insurance Claims: Settled	11 years
Invest. Statements & Closed Passbooks	7 years
Invoices	7 years
Legal Files: Open	Until Closed
Legal Files: Closed	11 years
List of Current Directors' and Officers' Names and Business or Home Addresses	11 years
List of the General Contractor and Electrical, Heating, and Plumbing Subcontractors Responsible for Construction or Installation of Common Property	Permanently
Mailing Lists/Member List	11 years
Management Notices	11 years
Minutes: Board Meeting	Permanently
Minutes: Owners' Meeting	Permanently
Newsletters	11 years
Original Specifications	Permanently
Other Plans and Information Relevant to Future Repairs or Maintenance of the Property	Permanently
Plans for Underground Site Service, Site Grading, Drainage, and Landscaping	Permanently
Plat	Permanently

Document Type

Proposals	7 years
Proxies (for meeting or vote)	1 year from vote
Proxies (for governing document amendment)	1 year from recording
Purchase Orders	1 year
Records of Corporate Action Taken by Owners Outside of a Meeting	Permanently
Records of Corporate Action Taken by Board Outside of a Meeting	Permanently
Records of Action Taken by Committee in Place of the Board of Directors	Permanently
Reserve Study (original or update)	11 years
Resolutions	Permanently
Rules and Regulations	Permanently
State Income Tax Returns	11 years
Unexpired Warranties	Until Expired
Expired Warranties	11 years