

**The Homeowners Association of Heritage Ranch
Member Inspection and Copying of Records Policy**

Background:

Texas Code - As a Texas nonprofit corporation, the HOA maintains current and accurate financial records as required by Section 209.005 of the Texas Property Code. The HOA also maintains other records as part of its business operation and management. Members of the HOA have the right to inspect and obtain copies of HOA records under Section 209.005 of the Texas Property Code.

Heritage Ranch By-Laws — Section 6.4 (a) and (b) of the By-Laws cover inspection of records of the Association. The By-Laws state that the Board shall establish reasonable "Rules for Inspection" with respect to:

- Notice given to the HOA "Member Request"
- Hours and days of the week when inspection may be made
- Payment of the cost of copying records

Purpose: The purpose of this procedure is to define and document the process for requesting and obtaining records of the Heritage Ranch Homeowners Association.

Records Organization:

HOA Web Site: HOA records are maintained generally in categories of financial, operations and management, and governing documents. Essential current financial records and previous financials since developer turnover, HOA Board minutes, Committee minutes, governing documents and resident directory are found on the Heritage Ranch website and may be examined at any time. Although recorded on a monthly basis, there is a necessary time lag in preparing and reconciling financial records; therefore, a month delay in posting to the web site is to be expected.

Office Records: Additionally, members may examine these and other HOA records in person by following the procedures set forth hereafter. Current records are kept at the HOA office in the Heritage Ranch Clubhouse and are readily accessible.

Off-Site Storage: Due to space constraints it is necessary to store archival records at an offsite location. Retrieval from off-site storage may involve additional time.

HOA Records Custodian: The HOA General Manager and HOA Manager are appointed custodians of all HOA records and are individually and/or jointly responsible for the procedures specified herein.



Member Requests: In accordance with Section 209.005 of the Texas Property Code, HOA members or their authorized representative must submit a written request for access or information by certified mail with sufficient detail describing the Association's books and records requested to the mailing address of the Association. The request must contain an election either to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records. Reasonable amount of time must be allowed for the retrieval of the requested records. For a current year single document request, a five business day's lead-time should be allowed. For more extensive records requests or for records stored off-site, a minimum of a ten business day's lead-time should be allowed. The Association will notify the requestor when the requested information is compiled for review.

Hours & Days of Inspection:

To facilitate the member requests for documents and to minimize the impact on the normal operation of the HOA, the Board of Directors has established the following times and days when members may access, inspect and copy records;

- Any Thursday or Friday, unless it falls between the 1st and the 10th of the month (monthly financial period)
- If inspection is desired in the period from the 1st to the 10th of the month, a prior meeting must be scheduled with the General Manger.
- Time for inspection of records is between 10 AM and 2 PM on the prescribed days.

Cost of Copying Records:

The cost of copying records includes three elements; (1) cost to copy (2) staff time to retrieve and present the records to the homeowner and (3) overhead costs. The Association will charge for copying costs in accordance with the Texas Administrative Code Section 70.3.

The cost of copying will be charged at \$0.10 per page to cover the cost of paper, and supplies.

- If HOA staff time is required in compilation, production or reproduction of the records that are stored offsite or exceed fifty pages in length, this time will be charged at the prorated hourly rate of \$15.00 per hour.
- Due to the time involved for archived record retrieval, if off site archived records are required, HOA staff time to retrieve off site archived records will be charged at the prorated hourly rate of \$15.00 per hour.
- An overhead charge will be assessed for all requests for copies of 50 or more pages. The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request.
- All other expenses incurred by the Association while processing the records request will be charged to the requestor in accordance with T.A.C. Section 70.3.

The Association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested records. If the actual costs are less than the estimated costs, the Association will refund the requestor the difference within 30 business

days. If the actual cost is more than the estimated costs, the Association will invoice the requestor for all additional amounts owed. If the requestor does not reimburse the Association before the 30th business day after the date the invoice is sent to the owner, the balance due may be added to the owner's account as a special assessment.

Process:

1. On receiving a member request, the HOA General Manager or Staff will locate requested records and notify the requesting member when and where the requested records will be available.
2. The HOA General Manager or Staff will not relinquish control or possession of the records to any member.
3. In advance of providing copies the HOA General Manager or Staff will calculate the cost that shall include materials and employee labor time for offsite records or records requests exceeding fifty pages.
4. The member shall pay all costs in advance.

Revision B Approved on April 15, 2010.

Revision D, September 15, 2011

APPROVED by the HOA Board of Directors on December 28, 2011

By: Mary Holley
Mary Holley, Vice President

Date: December 28, 2011