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SUN EAGLE BAY OWNERS ASSOCIATION

RESOLUTION NO. 7

ASSOCIATION RECORDS AND FINANCIAL ADMINISTRATION POLICY

WHEREAS, the Board of Directors of the SunEagle Bay Owners Association (the "Association") is responsible for the management and administration of the affairs of the Association pursuant to the Association's governing documents, the Texas Business Organizations Code, and the Texas Property Code Chapter 209 (Texas Residential Property Owners Protection Act);

WHEREAS, the Board has a fiduciary duty to ensure that the Association's financial records, membership records, and administrative systems are maintained accurately and subject to appropriate oversight;

WHEREAS, Texas law requires property owners associations to maintain certain financial and administrative records and to make those records available as required by law;

WHEREAS, the Board finds that transparency, reasonable separation of duties, and appropriate administrative controls are necessary to protect the Association, its volunteers, and its members;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby adopts the following Association Records and Financial Administration Policy, which shall govern internal administrative procedures of the Association.

SECTION 1 – Ownership and Control of Association Records

All financial records, accounting systems, membership records, and administrative data relating to the Association are the property of the Association and remain under the authority and control of the Board of Directors.

Pursuant to Texas Business Organizations Code §§22.351 and 22.352, the Association shall maintain appropriate corporate and financial records, and directors of the Association shall have access to such records as necessary to perform their duties and fulfill their fiduciary responsibilities.

Any individual performing bookkeeping, administrative, or accounting services does so under the direction and supervision of the Board.

No officer, volunteer, contractor, or service provider shall restrict or limit the Board's access to the Association's accounting systems, financial records, membership records, or administrative data necessary for the performance of board duties.

The Board shall maintain administrative control of the Association's accounting system or financial recordkeeping system and related records to ensure continuity of access for current and future officers.

All Association bank accounts, accounting systems, membership databases, websites, domain names, and administrative platforms shall be established in the name of the Association and not in the name of any individual.

This policy governs internal administrative procedures of the Association and shall not supersede the Association's governing documents or applicable law.

This policy establishes internal administrative procedures for the Board of Directors and does not create new obligations, restrictions, or enforcement provisions applicable to members of the Association.

SECTION 2 – Access to Accounting System and Financial Reports

Officers responsible for financial oversight, including the President, Treasurer, and Secretary, shall have appropriate access to the Association's accounting system or financial recordkeeping system sufficient to perform their duties.

Authorized officers may generate and review financial reports including Balance Sheet, Profit and Loss Statement, Budget vs. Actual Report, General Ledger, Check Register, Bank Reconciliation Summary, Accounts Receivable and Delinquency Reports, and Accounts Receivable Aging Report by Lot or Owner.

Authorized officers shall also have the ability to generate invoices, account statements, and delinquency documentation necessary for billing and collection administration.

Access granted under this section is intended for financial oversight and administrative purposes and does not authorize modification of accounting records unless specifically approved by the Board.

SECTION 3 – Billing and Collection Administration

Officers responsible for financial administration, including the President, Treasurer, and Secretary, shall have the authority to create and issue member invoices, generate account statements, issue delinquency notices, and produce documentation necessary for collection administration.

These activities are considered administrative billing functions necessary for the operation of the Association.

SECTION 4 – Membership and Ownership Records

The Association's membership and ownership records remain under the authority of the Board of Directors.

Officers responsible for administrative functions, including the Secretary, President, and Treasurer, shall have the ability to enter new property owners, update ownership and contact information, maintain membership records, verify voting eligibility, and maintain lot ownership records necessary for billing, elections, and association administration.

SECTION 5 – Separation of Duties

To maintain appropriate internal financial controls, responsibilities for bookkeeping, financial oversight, billing administration, and membership record maintenance should be reasonably separated whenever practical.

The Board shall ensure that no single individual maintains exclusive control over the Association's financial records, reporting systems, membership records, or billing administration functions.

Any individual performing bookkeeping services for the Association shall not have sole or exclusive control over the Association's accounting system or financial recordkeeping system, financial reports, accounts receivable records, billing administration functions, or system access necessary for the operation of the Association's financial records.

The Board of Directors shall retain ultimate authority over all Association financial accounts, banking relationships, accounting systems, and financial records, regardless of whether bookkeeping or administrative services are performed by a volunteer, contractor, or third-party service provider.

SECTION 6 – Administrative Credentials and System Access

Administrative credentials for the Association's accounting systems, financial platforms, banking portals, membership databases, and other administrative systems remain under the authority of the Board of Directors.

At least two officers shall maintain administrative access sufficient to ensure continuity of operations.

Upon any change in officers, volunteers, or service providers responsible for administrative or bookkeeping functions, all system credentials and administrative access shall be promptly transferred to the Board or its designated officers.

No individual shall retain exclusive control of administrative credentials or system access for any Association system or records.

Access granted to officers or directors shall be used solely for Association business and shall not be shared, transferred, or provided to any third party without authorization of the Board.

Authorized users shall not permit any third party to access or utilize Association systems through their credentials.

All Association banking accounts shall list at least two authorized board officers as signers or authorized users, and no non-board individual shall be the sole authorized user on any Association financial account.

SECTION 7 – Compliance with Texas Law

This policy supports compliance with Texas Property Code Chapter 209, including the record maintenance and inspection provisions contained in Texas Property Code §209.005.

Nothing in this policy shall limit any rights of members to inspect Association records as provided by applicable law.

SECTION 8 – Member Access to Association Records

Members may request to review Association records in accordance with Texas Property Code §209.005.

The Association shall make records available for inspection or provide copies of records as required by applicable law.

Member inspection rights apply to Association records and documents but do not grant members access to the Association's accounting systems, financial software, banking systems, or administrative platforms.

SECTION 9 – Purpose

This policy is adopted to ensure financial transparency, proper board oversight, accurate membership records, appropriate internal financial controls, protection of Association records, and compliance with applicable Texas law.

SECTION 10 – Implementation

Following adoption of this policy, the Board shall take reasonable steps to ensure that Association administrative systems, accounting systems, financial records, and membership records are configured in a manner consistent with this policy.

SECTION 11 – Board Authority

This policy is adopted by the Board of Directors pursuant to its authority to manage and administer the affairs of the Association as provided in the Association's governing documents and applicable Texas law.

SECTION 12 – Amendment or Repeal

This policy may be amended, modified, or repealed by a majority vote of the Board of Directors at any properly called board meeting.

SECTION 13 – Records Retention

The Association shall maintain financial and corporate records for the time periods required by Texas law and standard accounting practices. Records may be maintained in electronic format.

SECTION 14 – Recording

This Resolution and Policy may be filed in the Official Public Records of Wood County, Texas, and shall serve as an official policy of the SunEagle Bay Owners Association. This policy is intended to govern internal administrative procedures of the Association and shall remain in effect until amended or repealed by the Board of Directors.

ADOPTION

ADOPTED by the Board of Directors of the SunEagle Bay Owners Association on this 21st day of March, 2026.

BOARD VOTE:

Directors Voting in Favor: 4
Directors Opposed: 0
Abstentions:0

Motion Passed

APPROVED BY THE BOARD OF DIRECTORS

Stephanie Murphy

Stephanie Murphy
President / Treasurer
SunEagle Bay Owners Association

NOTARY ACKNOWLEDGMENT

STATE OF TEXAS
COUNTY OF WOOD

BEFORE ME, the undersigned authority, on this day personally appeared Stephanie Murphy, President of the SunEagle Bay Owners Association, a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and on behalf of said Association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 21st day of March, 2026.

Sharon J Autry

Notary Public, State of Texas
My Commission Expires: Sept 21, 2026

SHARON J AUTRY
Notary ID #131733230
My Commission Expires
September 21, 2026

NOTARY PUBLIC
STATE OF TEXAS