ADVISORY OPINION NO. 2026-20

Applicant Name:	David Alexander
Association Name:	Chimney Hill Ridge Owners Association
Association Type:	Community Association
Governing Statutes:	Utah Community Association Act Utah Revised Nonprofit Corporation Act

LEGEND OF DEFINED TERMS

Association	Chimney Hill Ridge Owners Association
CC&Rs	Restated and Amended Declaration of Covenants, Conditions and Restrictions of Chimney Hill Ridge Owners' Association, dated June 18, 2014, as subsequently amended
Board	Board of Directors
Governing Documents	The Declaration (CC&Rs), Bylaws, and Rules/Policies of the Association
Mr. Alexander	David Alexander
Office	Office of the Homeowners' Association Ombudsman

Summaries of each legal question are included at the start of each section. These summaries aim to provide a clear and straightforward answer to the question and should be read in conjunction with the complete analysis.

INTRODUCTION & BACKGROUND FACTS

A dispute has arisen between Mr. Alexander and the Association regarding the scope of a lot owner's right to inspect Association financial records under Utah law. Mr. Alexander has requested access to a range of financial documents, including bank statements, transaction registers, vendor contracts, vendor invoices, and vendor bids and proposals. The Association has denied several of these requests, taking the position that the requested documents do not constitute Association records under Utah law and that Mr. Alexander has failed to demonstrate a proper purpose for his requests. Mr. Alexander disputes the Association's legal conclusions, asserting that the requested documents are core financial records within the scope of his statutory inspection rights and that the proper purpose requirement does not apply to routine financial records. The Association has also amended its CC&Rs to limit owner record inspection rights to those items explicitly identified under Utah law. The material facts and timeline, as presented to the Office, are as follows:

- On April 8, 2024, Mr. Alexander sent an email to the Association requesting access to certain Association documents.
- On April 20, 2024, the Association emailed Mr. Alexander in response to his April 8 request, stating that several of the requested documents were not Association documents under Utah law and the Governing Documents.
- On July 10, 2024, Mr. Alexander sent another email to the Association requesting additional documents.
- On July 24, 2024, the Association emailed Mr. Alexander to deny his July 10 request, stating that the requested documents did not constitute Association records under Utah law and that he had not provided information demonstrating a proper purpose for the request.
- On October 31, 2024, Association unit owners holding more than 67% of the total Association votes approved an amendment to the CC&Rs. The amendment repealed any provisions granting members broader access to records than what is explicitly authorized under Utah law.
- On December 20, 2025, Mr. Alexander submitted a new written request to the Association to inspect financial records.
- On January 7, 2026, Mr. Alexander sent an email to the Association restating his request, specifically requesting to inspect 2024 and 2025 executed vendor contracts, vendor bids and proposals, vendor invoices, operating and reserve bank statements, and Quicken transaction registers. The Association responded the same day, agreeing to coordinate a time for the inspection within the following two weeks.
- On January 14, 2026, the Association held its annual meeting, during which the Board presented a summary of 2025 expenditures, reserve projects, and the 2026 budget.
- On January 21, 2026, an in-person records review meeting with Mr. Alexander and the Board took place. Before the meeting, the Board emailed Mr. Alexander certain materials, including bank statements for the reserve account. During the meeting, Mr. Alexander scanned various 2024 and 2025 invoices, contracts, and bids, but noted that several items were missing from the provided records.
- On January 24, 2026, Mr. Alexander emailed the Association to identify that the invoice and executed contract for a $14,000 aeration and fertilization prepayment were missing from the records provided at the January 21 meeting.

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- On January 28, 2026, Mr. Alexander sent a formal follow-up email to the Board identifying the outstanding records as the 2024 and 2025 operating account bank statements, the 2024 and 2025 Quicken transaction registers, and the $14,000 aeration contract and invoice.
- On January 28, 2026, the Association denied Mr. Alexander's request, stating that the requested documents did not constitute Association records under Utah law and that he had not demonstrated a proper purpose for the request.
- Also on January 28, 2026, Mr. Alexander replied to the Association's denial, disputing the Board's legal conclusions regarding the requested records.
- On January 29, 2026, the Association sent a detailed reply to Mr. Alexander's January 28 response and suggested that the parties resolve the matter through the Office.
- On January 30, 2026, Mr. Alexander filed his request for an Advisory Opinion Application with the Office.

Since the dispute remains unresolved, the Office issues this Advisory Opinion pursuant to Utah Code § 13-79-104.

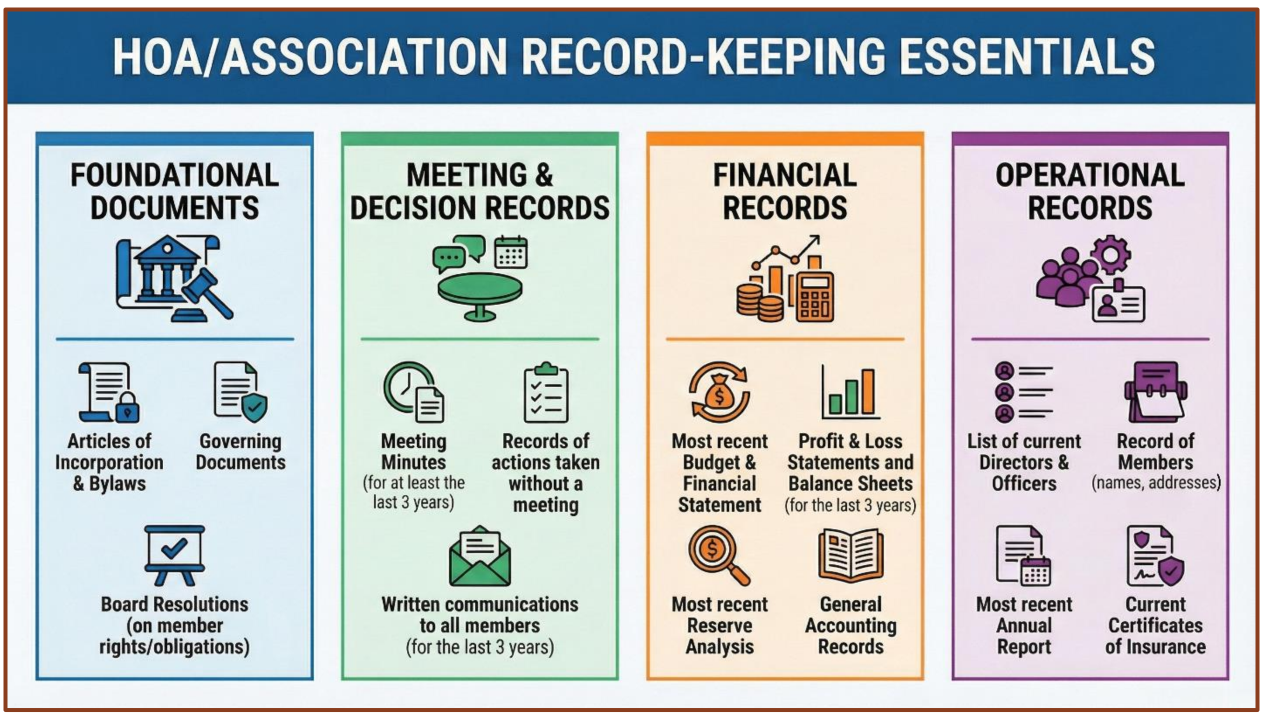
ANALYSIS OF QUESTIONS PRESENTED & GOVERNING LEGAL PRINCIPLES

This dispute raises the following legal question for the Office: (1) What records is an association required to maintain and produce upon request?

1. What Records is an Association Required to Maintain and Produce Upon Request?

Summary: Under Utah Code §§ 57-8a-227 and 16-6a-1601, an association must provide members with access to core financial records — such as balance sheets, income statements, and cash flow statements — but is not required to disclose every financial transaction, receipt, or contract a homeowner may request. In this matter, Mr. Alexander sought transaction-level financial detail, including bank statements, a complete transaction register, and certain vendor contracts, while the Association argued it had already fulfilled its legal obligations by providing monthly financial reports, cash reserve statements, budgets, and numerous vendor contracts and invoices. Because the Association provided the summary financial records required by statute, it complied with Utah law, and any decision to disclose additional documents beyond those requirements is left to the Association's discretion.

General Legal Principle: Under Utah Code § 57-8a-227(1) and Utah Code § 16-6a-1601, an association is required to maintain and provide access to the following records to its members:



Importantly, under Utah Code § 16-6a-1601(2), an association is required to keep "appropriate accounting records." However, this term is not defined within the Nonprofit Corporations Act. According to basic financial principles, accounting records are the primary financial summary reports that provide an overview of an organization's economic health, including balance sheets, income statements, and cash flow statements. While homeowners may seek other information related to an association's finances, and its board is welcome to provide such information if it chooses, Utah law does not require disclosure of anything beyond these summary, high-level financial documents to homeowners. When fulfilling a request, an association is allowed to redact information from the required documents under Utah Code § 57-8a-

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227(1)(b) if the information contains social security numbers, bank account numbers, or is subject to attorney-client privilege.

As part of the homeowner's request, under Utah Code § 57-8a-227(3)(b)(i), they may elect either to inspect or copy the documents. If a homeowner requests copies of the documents, they may elect to have those copies produced either as hard copies or electronic scans per Utah Code § 57-8a-227(3)(b)(ii). Under Utah Code § 57-8a-227(3)(b)(iii)(D), a homeowner may elect for the association to email the requested documents to the email address provided in the request. Once a homeowner has made a valid request for records under Utah Code § 57-8a-227(1) and Utah Code § 16-6a-1601, an association is required to fulfill that request and provide the documents and records within 10 business days after the day the request is received under Utah Code § 57-8a-227(4)(a). When an association produces copies or electronic scans of requested documents, under Utah Code § 57-8a-227(4)(b)(ii), it may charge the requesting homeowner "the reasonable cost of the copies and for time spent meeting with the lot owner." However, these costs "may not exceed the actual cost that the association paid to a recognized third party duplicating service to make the copies or electronic scans or 10 cents per page and $20 per hour for the employee's, manager's, or other agent's time." If the request is for electronic transmission of the documents, however, under Utah Code § 57-8a-227(4)(b)(iii), an association may not charge the homeowner for any costs associated with fulfilling the request. Utah Code § 57-8a-227(5) provides penalties against an association that fails to comply with the production requirements, including payment of the reasonable costs of inspecting and copying the requested documents, $25 per day paid to the requesting homeowner, and reasonable attorney fees incurred by the homeowner in obtaining the requested documents.

Application to Matter: In this matter, Mr. Alexander argues that, as a homeowner, he is entitled to transaction-level detail of the Association's financial situation. As a result, he alleges that the Association has violated Utah law by failing to provide bank statements, a complete transaction register, and certain vendor contracts. The Association contends that, under the legal requirements set forth in Utah Code §§ 57-8a-227 and 16-6a-1601, it is not obligated to provide these documents to Mr. Alexander because they do not constitute Association records subject to homeowner review, and because Mr. Alexander did not demonstrate a proper purpose for them.[1] Neither party disputes that the Association has provided Mr. Alexander with numerous documents in response to his request, including monthly financial reports, cash reserve statements, budgets, reserve account statements, and numerous vendor contracts and invoices. Rather, the dispute centers on whether the additional documents requested by Mr. Alexander in late 2025 meet the requirements of the statute and must be disclosed.

As discussed above, a homeowner is not entitled to every possible transaction receipt or financial record of the Association. Rather, Utah Code §§ 57-8a-227 and 16-6a-1601 specify the items a homeowner can obtain to understand the Association's financial situation. While Mr. Alexander may wish to have additional information beyond the statutory requirements, and the Board, in its discretion, may provide it under Utah law, there is no statutory requirement that the Association provide this information to Mr. Alexander. Prior to October 31, 2024, the Association's CC&Rs required disclosure of a broader range of documents than the relevant statutes.[2] However, the homeowners voted at that time to amend the CC&Rs

[1] Although the Association raised a lack of proper purpose for refusing to disclose documents to Mr. Alexander, because the issue is ultimately resolved by addressing the records Mr. Alexander is entitled to under the statute, the Office does not address the proper purpose question.

[2] Any allegations related to the Association's failure to provide records before the 2024 amendment to the CC&Rs were known to Mr. Alexander more than one year before he submitted his Advisory Opinion request to the Office. Accordingly, the Office does not address these claims under Utah Code § 13-79-104(2)(a)(iii).

to remove those requirements and require disclosure only of what is statutorily required. Therefore, for the requests Mr. Alexander made beginning in December 2025, the Association had the discretion whether to provide documents beyond those required, particularly with respect to financial records. “Appropriate Financial Records,” as used in Utah Code § 16-6a-1601(2), and as explained in further detail above, constitute summary financial documents of the Association, which have been provided to Mr. Alexander. Accordingly, the Association has complied with Utah law by disclosing the records it has, and it has the discretion to determine whether to disclose additional documents or records to Mr. Alexander or any other homeowner.

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CONCLUSION

Based on the information provided by the parties and the governing Utah statutes, the Office concludes as follows:

1. **Association Records:** Mr. Alexander sought transaction-level financial detail, including bank statements, a complete transaction register, and certain vendor contracts, while the Association argued it had already fulfilled its legal obligations by providing monthly financial reports, cash reserve statements, budgets, and numerous vendor contracts and invoices. Because the Association provided the summary financial records required by statute, it complied with Utah law, and any decision to disclose additional documents beyond those requirements is left to the Association's discretion.

Signature: Erin Rider (May 20, 2026 13:28:15 MDT)

Email: erider@utah.gov

Erin Rider
Director

Office of the Homeowners' Association Ombudsman
UTAH DEPARTMENT OF COMMERCE

INFORMATION REGARDING ADVISORY OPINIONS

This document is an Advisory Opinion issued by the Office of the Homeowners' Association Ombudsman as an alternative dispute resolution method pursuant to Utah Code § 13-79-104. The Office's jurisdiction is limited to alleged violations of state statutes, as outlined in Utah Code § 13-79-103 and Utah Code § 13-79-104. The opinions here are based on a review of the specific facts provided and may not correspond with outcomes in other cases where circumstances or laws differ. This opinion is not legal advice, does not establish an attorney-client relationship, and does not represent the official views of the State of Utah or the Department of Commerce. All parties are encouraged to seek legal counsel to protect their interests.

While this Advisory Opinion is not legally binding on any party, it could have potential consequences if the matter proceeds to litigation. Under Utah law, the opinion and related findings are not admissible as evidence in court, except for the specific purpose of evaluating attorney fees and costs. If a cause of action discussed in this opinion is litigated and resolved according to it, the prevailing party may recover reasonable attorney fees and court costs incurred from the date this opinion was issued. A court may also impose a civil penalty if it finds that the opposing party knowingly and intentionally violated the law. The decision to grant such awards rests within the court's discretion.

NOTICE TO ASSOCIATIONS

Condominium Associations must register with the Department of Commerce through the Office of the Homeowners' Association Ombudsman under Utah Code § 57-8-13.1, and Community Associations must register under Utah Code § 57-8a-105. Due to an updated registration system, any association that registered prior to September 2025 is required to complete a new registration, regardless of whether they have previously registered with the Department of Commerce. All associations must also renew their registration annually. Information about this process and the registration application is available at https://commerce.utah.gov/hoa/new-registration/.