

## Finance & Legal Committee Minutes

**August 2, 2025 (Saturday)**  
**10:30 am on TS Zoom Room**

**MEMBERS:** Julie, Laura, Lesli, Nigel, Robyn, Rusty, Stan, Wendy

**PRESENT:** Julie, Laura, Lesli, Lois, Robyn, Rusty, Stan, Steve, Wendy

## AGENDA

## AGENDA

Item	Presenter	Type	Time
1. Housekeeping (Check in)		Discussion	5 mins
2. Approve Last Meeting's Minutes <ul style="list-style-type: none"> <li><a href="#">2025-07-12 Finance &amp; Legal Minutes</a></li> </ul>	All	Decision	1 mins
3. <a href="#">Reserve Study 2025</a> - Update at plenary <ul style="list-style-type: none"> <li>a. Proposal to cover roofs in reserve from the Savings account</li> </ul> Garages (Reserve update) <ul style="list-style-type: none"> <li>a. Review communication Laura drafted to garage owners regarding the change in collection for the reserve contribution based on our Master Deed. This could morph into a document describing the garages that could be provided to buyers if an owner wanted to sell with the garage as part of the sale.</li> <li>b. Next steps (meeting) with <a href="#">garage owners</a>.</li> <li>c. How is insurance handled for garages?</li> <li>d. Do the south bank of garages get assessed more than the north?</li> <li>e. Consider a new checking account to collect and pay out of dedicated to the garage reserve money</li> </ul>	Laura / Robyn	Status / Update / Discussion	15 mins
4. Water Submetering (moved up - Steve will give update) <ul style="list-style-type: none"> <li>Update on ratio billing approach</li> </ul>	Steve	Status / Update / Discussion	10 mins

## Finance & Legal Committee Minutes

**August 2, 2025 (Saturday)**  
**10:30 am on TS Zoom Room**

<ul style="list-style-type: none"> <li>• <a href="#">Overview Submetering document</a> DRAFT (Steve Hurt)</li> <li>• Next steps</li> </ul>			
5. Insurance requirements question (from Robin K.)	All	Discussion	15 mins
6. Solar panels and association roofs <ul style="list-style-type: none"> <li>• What is F&amp;L's role?</li> </ul>	Julie / Laura	Discussion	15 mins
7. Status of State Farm legal claim - <ul style="list-style-type: none"> <li>a. <a href="#">Landry, Mazzeo, Dembinski &amp; Stevens PC</a></li> <li>b. Review <a href="#">legal case settlement language</a> sent from the attorney for the association to provide co-owners and incorporate into our book of agreements and email etiquette</li> </ul>	Laura	Status / Update	5 mins
8. University Bank Loan Restructure 2025 <ul style="list-style-type: none"> <li>a. Status update</li> </ul>	Laura / Lesli	Status / Update	15 mins
9. Next steps for communicating the Phase 2 special assessment interest increase to match University Bank <ul style="list-style-type: none"> <li>• TS Finance <a href="#">Overview of the Special Assessment</a> with paydown options</li> <li>• <a href="#">TS Finance Promissory Note</a> signed by new owners</li> </ul>	Laura / Lesli / Julie	Discussion	15 mins
10. Tax Returns Status of Completion 2024	Julie / Laura	Status/Update	10. 2 mins
11. Update on status of TS units for sale.	Laura	Status/Update	
12. MAFs <ul style="list-style-type: none"> <li>• Any Arrears to Report?</li> </ul>	Julie / Lesli	Update / Status	1 min
13. Bank Balances (See table in minutes)	Laura	Standing -Information	1 min

## Finance & Legal Committee Minutes

**August 2, 2025 (Saturday)**  
**10:30 am on TS Zoom Room**

14. Any Other Business	All	Standing	3 mins
a. Consider a standing agenda item: <i>Update of current contract reviews</i>			

## MEETING MINUTES

### Minutes

- The [2025-7-12 F&L](#) Minutes were approved

### Water, Ratio Billing

- At our previous meeting in July, submetering, irrigation meters and ratio billing were discussed. Submetering and irrigation meters were capital intensive for minimal financial gain. Ratio billing was considered, for equality reasons, worth proposing to Plenary.
- Steve did some more work on ratio billing and determined that under current water bills, a factor of 1 is approximately \$32/month. There was just a 5% increase July 1 and there will be another increase in water rates in 2026. The measure of the factor of 1 is still under discussion.
- We are on par with U.S. residential water use averages.
- Steve proposed:
  - Each unit would have a base factor of 1.
  - Each additional adult member of the unit would be a factor of 0.9.
  - Children 0-5 years would be a factor of 0.
  - Children 6-18 years would be a factor of 0.5.
  - Water would be budgeted as usual in the Association's 2026 budget.
  - Water would be worked into MAF's based on unit occupancy and would adjust when unit occupancy changed.
  - There could be some overage/shortfall based on real water use and unit occupancy changes, which would be absorbed by the Association.
  - Children and LCE irrigation are being considered a public good in the proposed factoring.
  - This approach includes Common House and Garden water usage, which could be removed and treated under our usual common element distribution.
- There was discussion about the pros and cons of a reliable MAF billing vs a utility billing approach.
- There was discussion about managing basement rentals as a separate unit with a factor of 1 + 0.9 for additional adults.

## **Finance & Legal Committee Minutes**

**August 2, 2025 (Saturday)**  
**10:30 am on TS Zoom Room**

- Due to time and complexity, a separate meeting will be set to hash out the details of the recommended proposal.
- We'd like to present this to Plenary prior to budget meetings.

### **Reserve Study**

- The garages are considered Limited Common Element (LCE) in our Bylaws and explicitly make the cost of the maintenance of them the garage owner's responsibility.

### **Master Deed:**

- (b) **Garages.** The responsibility for undertaking the structural and exterior maintenance, repair and replacement of and for insuring the General Common Element **garage** buildings, for the **garage** doors and the exterior **garage** lights, shall be borne by the Association; however, the costs of same shall be divided equally by the number of **garage** spaces contained in a **garage** building and each Unit with an assigned **garage** space in such building shall pay its proportionate share of said costs which shall be levied and collected in the same manner as assessments as provided in Article II of the Bylaws, attached as Exhibit "A" to this Master Deed. Any unusual costs related to less than all of the assigned Limited Common Element **garage** spaces shall be assessed equally to the Unit(s) to which the benefitted **garage** space(s) is/are assigned. The responsibility for undertaking and for the costs of interior maintenance, and nonstructural repair and replacement shall be borne by the Co-owner of the Unit to which the **garage** space is assigned, and by the Association for the General Common Element (unassigned) **garages**. The costs of maintenance, repair and replacement of the electric **garage** door opener shall be borne by the Co-owner of the Unit to which the Limited Common Element **garage** space is assigned, and by the Association for the General Common Element (unassigned) **garage** spaces.

- Laura has drafted [a notice to garage owners](#) of the LCE status and cost requirements. She incorporated committee edits and changes on the communication, and will distribute early next week.
- Phase 1 garage owners need to meet to address upcoming expenses, roofing & garage doors and at that time Finance will walk through a spreadsheet to show how costs are calculated.
- Phase 2 garages should meet separately, if needed. Their monthly increase would be \$30 going forward. Maintenance costs (siding, roofing, doors) are not scheduled for 18 - 50 years.
- Are there deeds for the garages? No. Could they be set up? This is within the Township's purview and unlikely.
- Garages are taxed as property. When they are bought and sold, it is on the owners, old and new, responsibility to contact Scio Township to make the property tax change.
- Laura will reach out to TS Tech to set up two new email lists for Phase 1 and Phase 2 garages.
- Julie will ask GO when they are scheduled to replace the shared garage roof. If it isn't done at the same time, then GO will have to pay for replacing the ridge cap that TS has replaced when they do their garage roof replacement.

## Finance & Legal Committee Minutes

**August 2, 2025 (Saturday)**  
**10:30 am on TS Zoom Room**

- Create a separate bank account for the garage reserve.
- Laura will work with Robyn R. to create a presentation for August Plenary to discuss using Savings account money to move to our capital reserve account to ensure we have the money in our account to complete the remaining 4 residential roofs, estimated to be around \$186,000.
- That should be decided before finalizing the 2026 budget.
- There will be an increase of a couple thousand for general reserve collection for 2026. Collection for 2025 was \$78,300. See the table below for the amount to collect in 2026. It represents an increase of \$2,300. A shortfall to cover the final residential roofs is \$44,700 (one time for 2026). We would need to have this by Spring/Summer to be able to have the roofs done by then.

### Recommended Annual Reserve Contributions

Year	Recommended Reserve Contribution	Additional Recommended Reserve Contribution	Year	Recommended Reserve Contribution	Additional Recommended Reserve Contribution
2026	\$ 80,600	\$ 44,700	2039	\$ 118,600	\$ -
2027	83,000	-	2040	122,200	-
2028	85,500	-	2041	125,900	-
2029	88,100	-	2042	129,700	-
2030	90,700	-	2043	133,600	-
2031	93,400	-	2044	137,600	-
2032	96,200	-	2045	141,700	-
2033	99,100	-	2046	146,000	-
2034	102,100	-	2047	150,400	-
2035	105,200	-	2048	154,900	-
2036	108,400	-	2049	159,500	-
2037	111,700	-	2050	164,300	-
2038	115,100	-			

### Insurance Coverage

- Robin K asked about what her homeowner's policy should cover.
- Wallboard in, flooring in, all betterments and additions, plumbing outside of the walls.
- Lesli will send an email to Robin K.

### Solar Panels

Greg is researching and contacting solar contractors to find out about installing solar panels for co-owner's use to install on the residential roofs to take advantage of the tax deductions to expire by the end of this year. F&L brought this as a discussion item to talk about what our committee involvement might be.

## **Finance & Legal Committee Minutes**

**August 2, 2025 (Saturday)**  
**10:30 am on TS Zoom Room**

Here's a [link to notes](#) from a meeting Laura and Julie had with Greg with additional questions and issues to consider.

There remain several issues that need addressing

- Warranty for the new roofs would be invalidated. .Currently Roof One, who installed the roofs that were replaced in 2024, has a 30-year warranty that would be invalidated if solar panels were installed. Any decision to invalidate the roof warranty, which F&L is not recommending at this time, would require full disclosure to the whole community and approval. All co-owners have paid into the reserve to cover the roof replacements so need an opportunity to voice concerns and any objections. In addition:
  - Julie is talking to Praxis (who built and has the new unit roofs installed) and Roof Technology Associations (the roofing contractor who inspected the phase 1 roofs needing replacement) about existing warranties. Currently Roof One, who installed the roofs that were replaced in 2024, has a 30-year warranty that would be invalidated if solar panels were installed.
  - Greg was given a copy of the Roof One warranty to review.
- We would need a fully consented policy regarding solar installation on residential roofs in Plenary. Installing solar panels on association roofs requires the approval of the board of directors, which is all co-owners.
- A formal agreement is needed between co-owners and the Association, which the committee would need to draft for community review. This would outline the responsibilities of any owners of solar panels (insurance requirements, maintenance requirements, etc.).
- Discussed the advantages to a community-wide solar project owned and maintained by the Association.
- Discussed that some solar companies may go out of business, particularly with the current administration ending solar tax credits. Some consumers are losing warranties as a result. This has been an issue for Great Oak.
- Greg is waiting to hear from Blue Raven Solar.

### **Insurance Claim Status (Lawsuit)**

- Touchstone was named in a lawsuit along with Great Oak. Both TS and GO filed claims with State Farm to be represented. The legal firm [Landry, Mazzeo, Dembinski & Stevens PC](#) sent us some [language](#) to send out to co-owners as part of the settlement with Great Oak specifically for use of [gots@aacoho.org](mailto:gots@aacoho.org) email.
- Laura agreed to draft a communication to send out to the community with this language and to provide some context. Laura will ask if the lawyer wants to review this communication out to the community before disseminating.
- Confirm with the lawyer this is finalized and no payment was made on behalf of Touchstone.
- Place this on the next Plenary and get a consensus to include our email guidelines, currently on the Gather Wiki, in our Book of Agreements.

## **Finance & Legal Committee Minutes**

**August 2, 2025 (Saturday)**  
**10:30 am on TS Zoom Room**

### **TS Tax Return 2024**

- TS 2024 taxes have been completed and submitted electronically and our books for the 2024 year are reconciled. TS owed no taxes. We noted that we have never paid taxes.
- Laura will give Lesli the last 3 year tax returns to scan for files and to send to University Bank ahead of the loan restructure.

### **Loan Restructure for University Bank Loan**

- TS Association owes a remaining principal balance of approximately \$210,000 on the commercial loan with University Bank.
- The bank will perform the 10-year bank restructure of the loan with an increase in the current (approximately) 5% interest rate to 7% or higher. This will increase the CH assessment for all those co-owners still paying toward the CH loan.
- Bill Kinley with Praxis wrote into the purchase agreements of the new unit owners that their special assessment would increase to the same interest rate when the University Bank loan interest rate was adjusted.

### **Sale of Units**

- 23, 35, 45 are for sale. Kirsten is the realtor for 23 and 35.
- Keitha closed on 25.
- Jack closed on 19.

### **Contracts**

- Alan's Asphalt was approved for \$1,600 for cracking filling. Stan is the lead. F&L reviewed the contract for this job. Stan will provide it to Alan Asphalt.

### **BANK BALANCES (Updated 08-02-2025)**

<b>List of Bank Accounts &amp; Bank Balances (Current)</b>	<b>Additional Notes</b>
Capital Reserve: \$78,777  Note that this balance reflects completion and payment for the painting of all residential buildings.	(Total annual 2025 contribution in MAFs is \$78,300 with a monthly transfer of \$6,525 from our operating account to our Capital Reserve account.)
Operating account: \$27,595	This bank balance fluctuates up and down as MAF income is deposited and expenses paid out throughout the year.