

Finance & Legal Committee Minutes

January 4, 2025 (Saturday)

10:30 am on TS Zoom Room

sMEMBERS: Betsy, Julie, Laura, Lesli, Nigel, Robyn, Rusty, Stan

PRESENT: Julie, Laura, Lesli, Lois, Nigel, Robyn, Rusty, Stan

AGENDA

Item	Presenter	Type	Time
1. Housekeeping (Check in)		Discussion	5 mins
2. Approve Last Meeting's Minutes <ul style="list-style-type: none"> 2024-12-07 Finance & Legal Minutes 		Decision	5 mins
3. Operating Budget 2025 New Monthly Fees (MAFs)	Laura/	Status/Update	5 mins
4. QuickBooks and Accounting Reconciliations & Tax Returns Status of Completion <ul style="list-style-type: none"> (2022, 2023, 2024) 	Julie / Laura/	Status / Update	5 mins
5. Update on Beneficial Ownership Information (BOI) reporting requirement	Julie / Laura	Status / Update	5 mins
6. Reserve Study 2025 - Scheduling <ul style="list-style-type: none"> a. Contacting Paul Conahan to get on his docket 	Laura / Julie	Status / Update	5 mins
7. Status of Current Owner Purchasing Unit 19 <ul style="list-style-type: none"> a. Follow up reach out (Nigel) b. Quick touch base on feedback from Realtor (Kirsten) 	Nigel / Laura	Status / Update	5 mins
8. Water Submetering <ul style="list-style-type: none"> Overview Submetering document DRAFT ff(Steve Hurt) Garden Committee's assessment from March 2024 Next steps / 	Steve / Laura	Status / Update	5 mins
9. Contracts <ul style="list-style-type: none"> Republic. Trash Collection 	Lesli / Nigel/ Stan	Status/Update	5 mins

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<ul style="list-style-type: none"> Letter to Current Waste Management 			
10. Co-owners Billing Association for Repairs & Association's responsibility determination <ul style="list-style-type: none"> a. Follow up regarding meeting with co-owners regarding basement repair 	Julie / Lesli / Nigel	Status/Update	10 mins
11. Maintenance Committee and Finance & Legal Committee joint meeting			
12. MAFs <ul style="list-style-type: none"> Arrears Report MAF Late Fee Notification Update 	Julie / Lesli	Update / Status	15 mins
13. Bank Balances (See table in minutes)	Laura	Standing -Information	1 min
14. Any Other Business	All	Standing	3 mins

MEETING MINUTES

MINUTES

- The [2024-12-7 Finance & Legal Minutes](#) were approved.

BUDGET

- The new MAFs were added to QuickBooks.
- Julie will reach out to folks if they don't update their MAF's amounts on their auto bank checks. Late fees and notices will be consistently applied in 2025.
- Laura emailed out the new MAF's by unit at the end of December. The January MAF statements went out at the beginning of January. Any special assessment is located on the MAF statements for both the original phase and the new unit development phase (phase 2). Co-owners can also reach out to Laura Coddington if they need assistance identify how much their special assessment amount is.

QUICKBOOKS RECONCILIATION

- The QB's have been reconciled for '22 & '23 and tax returns for both years have been submitted and accepted by the IRS.

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- Our new accountant, Keith, said the reconciliations were easy.
- We want to do 2024 taxes in the next month, prior to the reset on the CH bank loan.

BENEFICIAL OWNERSHIP INFORMATION (BOI) REPORTING REQUIREMENT

- There is a new requirement for all corporations, including HOAs, to report [Beneficial Ownership Information \(BOI\)](#). The process is quick and online and does not cost anything for the association. Although not filing by the deadline can incur large fines. The deadline was January 1st, 2025, but there was an injunction by a judge, which won't be heard in court until March. That makes filling out the form voluntary until the court hearing.
- The driver licenses of the Association officers identified by the state of Michigan are required to complete the BOI reporting submission.
- The current association officers are now. Laura Coddington, President; Julie Wiernik, Treasurer; Carolyne Towers, Secretary; Sonia Kraftson, Director; Stan Towers, Director; Betsy Reitbauer, Director. Nigel Turtle voluntarily stepped down as the President.
- Identifying officers is a state of Michigan requirement and primarily a point of contact for the association for legal purposes and for the state of Michigan communications to the association.
- Ordinarily we submit our list of officers annually or identify at that point any changes. Laura will find out how to formally change officers in the online filing system LARA (Licensing & Regulatory Affairs) or if it's only needed annually.

RESERVE STUDY 2025

- Laura reached out to Paul to set a date for the reserve study, asking for Spring, early Summer start. She hasn't heard back from him yet.
- Need work hours in the next work cycle for the reserve fund effort.

PURCHASE OF UNIT 19 AS RENTAL

- This seems to have gone no further on the part of the inquiring buyer, who is a current co-owner.
- There was discussion about the Fanny Mae / Freddy Mac requirements related to the limit on the percent of rental of units as an investment property for a condominium in order to ensure the association is not unwarrantable. This impacts buyers and sellers, and current co-owners when trying to get mortgages or refinancing. Our bylaws do allow a new co-owner to lease their unit. They must live in it for one year before becoming eligible. Note this is not the same as a co-owner continuing to live in their unit but renting a portion or having a renter live with them in some capacity.
- There was conversation about having just hit our maximum rental allowance in the bylaws (5%). Several are investment units and have an impact on the health and equity of the community.

WATER SUBMETERING

- Tabled till next meeting.

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CONTRACTS

- We need to make sure all contracts are signed by an association officer.
- Lesli will write a letter to Waste Management to confirm pickup on the Dumpster.
- We decided to create an orientation for new conveners for CH, Maintenance and Grounds that covers contracting and bylaws compliance. Lesli, Nigel, Laura and Julie will draft a list of points to cover with new conveners and then send it out for ctte review. We have 2 new conveners, so want to jump on this.

CO-OWNERS INVOICING MAINTENANCE WORK

- An [email](#) was sent to Maintenance in December addressing our concerns and expectations.
- We have not received a payment approval for Unit 14.

JOINT F&L/MAINTENANCE MTG

- This was suggested in the [email](#) regarding unit 14.
- Kathy Hall, from Maintenance acknowledged the value. Parnell has just taken on convening for Maintenance.

MAF's & ARREARS

- All is ok on the MAF front.
- We have a few folks that need to be reminded to update their bank checks for January.

BANK BALANCES *(Updated 12-7-2024)*

List of Bank Accounts & Bank Balances (Current)	Additional Notes
Capital Reserve: \$88,720	(Total annual 2024 contribution in MAFs is \$75,200 with a monthly transfer of \$6,200 for the first month and then \$6,000 for the remaining 11 months from our operating account to our Capital Reserve account.)
Operating account: \$42,000	This bank balance fluctuates up and down as MAF income is deposited and expenses paid out throughout the year.
TS Savings: \$92,558	2024 contribution will be \$15,401.52 from phase 2 special assessments. A quarterly bank transfer from the operating budget of \$3,850 is scheduled to move the collected special assessment money from the operating account to the Savings account. <ul style="list-style-type: none"> • Account includes the original developer funds.

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	<ul style="list-style-type: none"> • Monies collected towards bylaws revision \$1,180 remaining • Monies for Maintenance \$6,000 • Transfer of special assessments collected from phase 2 units
TS CH Donations: \$1,284.73	
University Bank: \$6,643	

NEXT MEETINGi

Saturday, February 1, 10:30 am on the Zoom Room

Stack:

1. Electronic payment of MAF's and tracking through Gather.
2. Contract for next round of building painting - [consider possible budget for project manager](#)
3. Project manager guide for large projects.
4. [Consider water meter installation for individual units \(rental fairness factor\) \(water leaks\).](#)
5. [Explore 'Ombudsman' concept.](#)