

## Finance & Legal Committee Minutes

**June 7, 2025 (Saturday)**

**10:30 am on TS Zoom Room**

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

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

## 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="#">2025-05-03 Finance &amp; Legal Minutes</a></li> </ul>	All	Decision	5 mins
3. Work Committee <a href="#">Proposal</a> for F&L Work Hours - review ahead of time if able	Lois	Discussion	10 mins
4. F&L input on recent claims handling for water damage caused by upper unit 3 to the lower unit 2. Review our bylaws	Wendy	Discussion	10 minutes
5. Reserve Study 2025 <ul style="list-style-type: none"> <li>a. Status update</li> <li>b. <a href="#">Master Deed</a> Garage Owner's reserve contribution</li> </ul>	Laura / Robyn	Status / Update	5 mins
6. Bylaws Revision Section: Association Insurance <ul style="list-style-type: none"> <li>a. Check in on having Dale Robert to attend the a June plenary</li> </ul>	Laura / Robyn	Discussion	15 mins
7. Quick update on State Farm claims status of our legal claim <ul style="list-style-type: none"> <li>a. <a href="#">Landry, Mazzeo, Dembinski &amp; Stevens PC</a></li> </ul>	Laura	Status / Update	15 mins
8. University Bank Loan Restructure 2025 <ul style="list-style-type: none"> <li>a. Lesli and Julie to meet with the loan officer to get questions answered</li> </ul>	Laura / Lesli	Status / Update	15 mins
11.QuickBooks and Accounting Reconciliations	Julie / Laura	Status/Update	5 mins

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Tax Returns Status of Completion 2024			
12. Joint committees meeting (Discussion in meeting) Orientation of Conveners of the Maintenance Committee with the F&L Committee	All	Status / Update	5 mins
13. Water Submetering <ul style="list-style-type: none"> <li>• <a href="#">Overview Submetering document</a> DRAFT (Steve Hurt)</li> <li>• Garden Committee's <a href="#">assessment</a> from March 2024</li> <li>• Next steps</li> </ul>	Steve / Laura	Status / Update	1 mins
14. MAFs <ul style="list-style-type: none"> <li>• Arrears Report</li> </ul>	Julie / Lesli	Update / Status	1 min
15. Bank Balances (See table in minutes)	Laura	Standing -Information	1 min
16. Any Other Business <ol style="list-style-type: none"> <li>a. Update on Building Ordinance Insurance requirement for some banks</li> </ol>	All	Standing	3 mins

## MEETING MINUTES

### Minutes

- The [2025-5-3 F&L](#) Minutes were approved

### Work Committee Proposal

- The committee will keep this in mind for the next work cycle.
- A description is needed for contract work.

### Insurance Claim, Unit 2

- The Association had no responsibility for the three different leaks between Unit 2 & 3.
- In conversation with the Association insurance agent, we learned the following in preparation of rewriting our bylaws insurance section:
  - Insurance companies represent their clients and work at their behest. So if a client opens at claim, they will fulfill their obligations per their agreement with their client. The Association's

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insurance agent has advised us to contact him BEFORE filing a claim so that he can explore the most appropriate way to handle the problem. It may be to press another party to file in lieu or that filing will have more long term detriment to our costs than paying for damages directly. This seems a generally wise approach for all insured parties.

- Changing the subrogation language in our bylaws, which is under consideration, will not have a direct impact on a claim for the insured. Subrogation is how an insurance company recoup its losses by getting the other party to cover the costs of a claim; however, whether or not to recoup losses has no direct effect on an insured's premium costs. Premiums and coverage are not necessarily tied to subrogation, but the risk appears to represent the insurer.
- A party that incurs a loss/damage, has the legal right to sue to recoup losses. When a party files a claim with an insurance company, some part of those rights to sue are transferred to the insurance company.
- Our bylaws addressing insurance are the norm in our agent's experience.
- The Association has been working to have our agent come and speak at Plenary this Spring/Summer about insurance coverage HO6, coverage levels, and how/who should file a claim. Laura will reach out to our agent to confirm if he can attend the June 21 plenary.
- We discussed preventative measures that could be taken to offset leaks, including pans under sinks and re-installing toilets.
- Conflict Resolution can assist in conversations with neighbors in regards to preventative efforts or when issues arise.
- A question we have for our Association's insurance agent: in order to file a liability claim, is a lawsuit required? Laura will let Dale know Nigel is seeking an answer on this question to further our understanding for the bylaws rewrite.

### **Reserve Study**

- The first draft increased MAF's \$100/month on average. There has been some feedback and adjustments. Still in process.
- The high increase initiated some questions about garages and brought to light that our [bylaws/master deed treats garages as LCE](#) and the maintenance costs of that LCE are the sole responsibility of garage owners.
- To date the only maintenance on the 20 garages in phase 1 has been painting and siding work, which was covered out of the Association's Reserve Fund.
- The Association has only collected \$4/month towards the maintenance of the phase 1 garages from the reserve account since 2008 amounting to approximately \$15,000. Roofs are needed for the older garages, and the quote received was upwards of \$60,000.
- Laura created a spreadsheet to identify the components of the Reserve Study that addressed the garages, and would like another pair of eyes to review it. Robyn agreed to review the spreadsheet to ensure her numbers and calculations are correct before presenting to both the community and garage owners with a plan on how to proceed with assessing them.

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- Since only 60% of units own a garage, the Committee discussed forming a separate group of garage owners to reach an agreement on how/when to manage those expenses that can then be ratified by Plenary.

### **Bylaws Revision/Insurance**

- Steering has asked to invite Dale of State Farm to present at the June Plenary on insurance coverage and who, when and how to make claims.

### **Lawsuit**

- State Farm has submitted our response to the lawsuit and asked that Touchstone be removed from the lawsuit. We have no other information at this time.

### **Loan Renewal**

- Ken Sprinkles at University Bank did respond to Laura's email passing the loan renewal to Lesli and Julie as liaisons.
- Lesli and Julie are coordinating a meeting with Ken.
- Laura has modified the spreadsheet to reflect the balance on the principal owed.
- There are some documents required, such as the tax return for 2024, for which we are still waiting for our accountants.

### **Status of Unit Sales**

- There was a request from the new resident's loaning bank for Unit 19 to add an endorsement to our insurance policy, which would have amounted to an additional \$700 a year for our association insurance..
- We recommended University of Michigan Credit Union as they do not require this additional insurance add on, they do not resell their mortgage loans, which is a factor.
- Unit 19 seller worked out the loan with his current mortgage lender without needing the additional insurance from TS.
- The committee agreed that we will not entertain these requests in the future should a buyer encounter this requirement. A seller can reach out to F&L if they have any questions in the future but F&L agreed that since most banks do not require this insurance, we will plan to recommend that the buyer reach out to a mortgage lender who does not require it and we can provide some recommendations for lenders if they need them.
- Unit 25 is a tentative sale to Keitha.
- Lesli will resend the letter sent out to the community clarifying the [Association's position on basement rentals](#) to Keitha, Devin and Kristy (Sent 2025-6-7) to ensure they are familiar with the current zoning regulations and the association's position.

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### BANK BALANCES (Updated 06-09-2025)

List of Bank Accounts & Bank Balances (Current)	Additional Notes
Capital Reserve: \$72,249  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: \$28,744	This bank balance fluctuates up and down as MAF income is deposited and expenses paid out throughout the year.
TS Savings: \$80,877	2025 contribution from the special assessments will be \$15,401 (there's a scheduled transfer quarterly of \$3,850 from the Operating account) This account includes: <ul style="list-style-type: none"> <li>● Monies collected towards bylaws revision \$1,180 remaining</li> <li>● Monies for Maintenance reserve or operating \$6,000</li> <li>● Monies approved for phase 1 of the Outdoor Project is \$65,000 - total payments out for the Outdoor Projects to date is \$24,552</li> <li>● Monies donated towards trees for the Outdoor Project to date is \$4,450</li> </ul>
TS CH Donations Account: \$1,012.87	Needs approval from the CHC for use of these funds
University Bank Account: \$5,958	Needs approval from the CHC for use of these funds
Meal Checking Account \$4,113	

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### **NEXT MEETING**

***Saturday, July 5, 10:30 am on the Zoom Room (Note Laura sending out an email to the committee to change to July 12 to avoid the 4th of July Holiday weekend)***

#### **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.
6. Preventative plumbing leak measures, pans under sinks and reinstalling toilets (originally installed toilets).q just