

An aerial photograph of a suburban neighborhood featuring numerous brick houses with tiled roofs. The houses are arranged in a dense, grid-like pattern, with some featuring white garage doors and bay windows. The roofs are primarily dark grey or brown tiles. The houses are surrounded by greenery, including trees and shrubs. The overall scene is a typical suburban residential area.

Tottenham Homeowners Association

ANNUAL MEETING

APRIL 4, 2025

Agenda

2024 Financial Summary & 2025 Budget

Road Replacement Reserve Update

Maintenance of the Detention Ponds

Modernization of Governing Documents

2024 Accomplishments

2025 Projects

2024 Budget to Actuals

	Actual	Budget
Total Assessments Collected		
Annual Assessment	45,250	42,150
Road Replacement Assessment	19,450	15,200
Prior Year(s) Amounts Collected	6,125	2,700
Interest Income	5,107	3,775
	<u>\$ 75,932</u>	<u>\$ 63,825</u>
 Total Expenses & Reserves		
Summarized Operating Expenses	50,609	55,600
Road Replacement Reserve	16,200	16,200
Detention Pond & Sewer Infrastructure Reserve	-	-
	<u>\$ 66,809</u>	<u>\$ 71,800</u>
	\$ 9,123	\$ (7,975)

-
- ▶ Admin (Legal, Insurance, Software etc.) \$ 8,480
 - ▶ Operating (Grass cutting Snow Plowing, Flowers) \$14,500
 - ▶ Infrastructure Repairs (Road, Wall, Ponds, Sidewalks) \$27,600

2025 Annual Budget Highlights

	Budget
Total Assessments Collected	
Annual Assessment	60,750
Road Replacement Assessment	64,800
Detention Pond and Sewer Assessment	20,250
Interest Income	4,000
	<u>\$ 149,800</u>
Total Expenses & Reserves	
Summarized Operating Expenses	60,750
Road Replacement Reserve	68,800
Detention Pond & Sewer Infrastructure Reserve	20,250
	<u>\$ 149,800</u>
	\$ -

-
- ▶ Admin (Legal (Bylaws), Insurance, Software etc.) \$ 18,900
 - ▶ Operating (Grass cutting, Snow Plowing, Flowers, Trees) \$22,800
 - ▶ Infrastructure Repairs (Road, Ponds, Sidewalks, Emergency) \$39,300

External Financial Review



B O V I T Z
C P A, P. C.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Tottenham Condominium Association
Canton, Michigan 48187

Robert (Rob) A. Bovitz, CPA
President
Member AICPA
MICPA

Robert (Bob) L. Bovitz, CPA
Member AICPA
MICPA

We have reviewed the accompanying financial statements of Tottenham Condominium Association (a Michigan corporation), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of income and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Summary of the Existing Tottenham Infrastructure

- ▶ Approximately 9,000 feet of Storm Sewer Piping
- ▶ Approximately 30 Storm Catch Basins and 40 Storm Manholes
- ▶ 3 Detention Basins and 3 Sediment Basins
- ▶ Approximately 16,500 square yards of Roadway (8 inches of stone base/ 4 inches of asphalt material. The roadway is generally 27 feet wide.)
- ▶ Approximately 12,000 feet of Concrete Curb and Gutter
- ▶ Approximately 6,500 square yards of Sidewalk

State of Michigan Reserve Requirements

- ▶ Michigan law requires that condominium associations maintain a reserve fund for major repairs and the replacement of common elements. MCL 559.205 and Michigan Administrative Code R 559.511(1)
- ▶ The state administrative code mandates that this reserve fund must be at least 10% of the association's current annual budget, ensuring that funds are available for substantial repairs and replacements.
- ▶ MCL 559.511(4), condominium should be carefully analyzed in determining an appropriate balance for the reserve fund. The Michigan Court of Appeals has stated that when establishing an annual budget, the board of directors must consider the, "creation of an adequate 'reserve fund' to cover the depreciation and obsolescence of the project's capital assets, e.g., to replace roads detention ponds etc. "
- ▶ Michigan's HB 5019, a new bill pending in the Michigan House, aims to bring significant changes to the way condominium associations manage their reserve funds?

What is a Reserve?

Money collected and saved in a separate account for large and infrequent common area costs, such as road replacement, sewer repairs & detention pond dredging/wall repairs (required by law)

A reserve study conducted by professionals identifies the status of reserve funds to cover the cost of funding major common area expenditures
Currently, due to financial constraints, the Board is self-managing this task

Reserve studies include a detailed inventory of major components the HOA is responsible for maintaining, estimating the remaining useful life and future replacement costs

Spalding DeDecker Replacement Estimate



905 South Blvd. East
Rochester Hills, MI 48307
www.sda-eng.com
Phone (248) 844-5400 | Fax (248) 844-5404

OPINION OF PROBABLE CONSTRUCTION COST

Project Name: Tottenham Subdivision Resurfacing

DATE: 07/17/24

Client: Canton Township

Project Description: Mill and resurface 2" of HMA roadway along White Hart Blvd.,
Graham Ct., Campbell Ct., and Tall Oak Ln. in Tottenham Subdivision

Prepared By: A. Johnstone

Checked by: P. Strunk

Item No.	Item Code	Item Description	Unit	Quantity	Unit Price	Total Amount
1	110	MOBILIZATION, MAX 5%	LSUM	1	\$ 6,434.25	\$ 6,434.25
2	403	MISC STRUCTURE COVER, ADJ - CASE 1	EA	11	\$ 800.00	\$ 8,800.00
3	501	COLD MILL, HMA SURFACE, 2"	SYD	16,200	\$ 4.25	\$ 68,850.00
4	501	HMA, 5EML, MODIFIED, 2" LIFT	TON	1,871	\$ 133.50	\$ 249,778.50
5	802	CURB AND GUTTER, REM & REPLACE (50 FEET AND LESS)	FT	580	\$ 50.00	\$ 29,000.00
CONSTRUCTION SUBTOTAL						\$ 362,862.75
CONSTRUCTION CONTINGENCY					10%	\$ 36,286.28
TOTAL ESTIMATED PROJECT COST						\$ 399,149.03

In providing opinions of probable construction cost, the Client understands that the Consultant has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the Consultant's opinions of probable construction costs are made on the basis of the Consultant's professional judgement and experience. The Consultant makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Consultant's opinion of probable construction cost.

Reserve Projections

	2024	2025	2026	2027	2028	2029	2030
ROAD RESERVE PROJECTED COST [5% inflation rate]	399,000	418,950	439,898	461,892	484,987	509,236	534,698
BEGINNING BALANCE	81,000	100,896	168,723	238,585	310,542	384,658	460,998
ROAD RESERVE COLLECTIONS	16,200	64,800	64,800	64,800	64,800	64,800	64,800
INTEREST INCOME [3%]	3,696	3,027	5,062	7,158	9,316	11,540	13,830
CUMULATIVE TOTAL	100,896	168,723	238,585	310,542	384,658	460,998	539,628

	2024	2025	2026	2027	2028	2029	2030
*DETENTION POND & SEWER PROJECTED EMERGENCY MAINTENANCE COSTS							
BEGINNING BALANCE	-	-	-	-	-	-	-
DETENTION POND & SEWER INFRASTRUCTURE COLLECTIONS	-	20,250	20,250	20,250	20,250	20,250	20,250
DETENTION POND EMERGENCY EXPENDITURES		(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)
INTEREST INCOME [3%]	-	-	-	-	-	-	-
CUMULATIVE TOTAL	-	-	-	-	-	-	-

	2024	2025	2026	2027	2028	2029	2030
**EMERGENCY OPERATING RESERVE PROJECTED COST							
BEGINNING BALANCE	20,006	20,006	24,656	14,446	18,929	8,547	12,854
EMERGENCY OPERATING RESERVE COLLECTIONS	-	4,050	4,050	4,050	4,050	4,050	4,050
EMERGENCY OPERATING EXPENDITURES		-	(15,000)	-	(15,000)		(15,000)
INTEREST INCOME [3%]	-	600	740	433	568	256	386
CUMULATIVE TOTAL	20,006	24,656	14,446	18,929	8,547	12,854	2,289

* Currently in-process of soliciting estimates

** Unknown costs

Maintenance Agreement with Canton Township

STORM SEWER AGREEMENT

THIS AGREEMENT is made this 28TH day of NOVEMBER, ²⁰⁰⁰19, by and between the Charter Township of Canton, a municipal corporation, with principal offices located at 1150 South Canton Center Road, Canton, Michigan 48188, hereinafter "Township" and SINGH IV LIMITED PARTNERSHIP a Michigan co-partnership/corporation, with principal offices located 7125 ORCHARD LAKE RD, STE. 200, WEST BLOOMFIELD, MI, hereinafter "Proprietor".

RECITALS:

1. The Proprietor is developing certain property located in Canton Township, Wayne County, Michigan as TOTTENHAM WOODS SINGH CONDOMINIUM ("Development") as more particularly described in Exhibit "A" attached hereto.
2. The Proprietor must construct a storm drainage system to provide adequate drainage in the proposed Development.
3. Such storm drainage system will encompass or impact storm runoff from road rights-of-way in the Development.

Detention Pond “Top Level” Review



5750 Curdy
Howell,MI 48855 "It's our privilege."

Name / Address
Tottenham Woods HOA ATTN Dennis

Estimate

Date	Estimate #
12/11/2024	1873

		Terms	Project
		Due on receipt	
Description	Qty	Rate	Total
Scope of work: Top side evaluation of entire storm system.			
Storm evaluation - Topside	1	850.00	850.00

Governing Document Review

MEMBERS

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MATTHEW W. HERON, ESQ.*
KAYLEIGH B. LONG, ESQ.*

SENIOR ATTORNEYS

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AMANDA G. BRONSON, ESQ.*

**Licensed in Michigan Only*

***Licensed in Michigan and Illinois*

****Licensed in Illinois Only*

Chicago	Farmington	Grand Rapids	Sterling Heights	Traverse City
159 N Sangamon St., Ste. 200 Chicago, IL 60607	37085 Grand River Ave, Ste. 200 Farmington, MI 48335	250 Monroe Ave. NW, Ste. 400 Grand Rapids, MI 49503	13425 19 Mile Rd., Ste. 300B Sterling Heights, MI 48313	476 US Hwy 31 S Traverse City, MI 49685

- **Article II, Section 3(C)(ii):** This is a new provision that includes language from the Michigan Condominium Act.
- **Article II, Section 3(C)(iii):** This changes the language within the current Bylaws, which currently only permits the Association to levy a special assessment for additions to the Common Elements if the costs exceed \$1,000.00 annually and with the prior approval of 2/3 of all the co-owners.
- **Article II, Section 3(D):** This changes the amount that must be set aside for the reserve fund from 10% to 35%.
- **Article II, Section 5:** This section updates the language within the current Bylaws to clarify that annual assessments are due in one installment. This section also includes new language that permits the Association to identify preferred methods of payment for assessments and to charge fees for the use of non-preferred methods of payment and revises the payment application for delinquent assessments.

2024 Accomplishments

- ▶ 1. Money collected for Road Replacement fund earned ~\$3600 in a Certificate of Deposit. A new CD was opened with ~\$100,000.
- ▶ 2. Dues Collections: 100% of Homeowners are Up to Date.
- ▶ 3. Contracted with Hertz Law to Review the HOA Governing Documents and Present Drafts for the Association to evaluate and approve. The Governing Documents had never been updated, and changes were required to make them compliant with Michigan Law..
- ▶ 4. Spalding DeDecker Engineering Conducted a Road Replacement Study and provided an updated Road Replacement Pricing Report
- ▶ 5. Major Road Maintenance Project was completed in mid-late Spring to fill potholes and serious cracks in the asphalt.

2024 Accomplishments (Continued)

- ▶ 6. Detention Pond communications with several experts to determine the nature of the maintenance that is required, the expected costs and to understand how our ponds are supposed to function so we can budget for the maintenance and related responsibilities to keep them in good order.
- ▶ 7. The walls at the front entrance were inspected and a major repair was conducted in early Fall. The walls were also sealed (waterproofed) to help delay deterioration.
- ▶ 8. The planting areas at the north and south sections of the front entrance were replaced with sod. Although the community loves the flowers in the front, they are both expensive and time consuming to maintain.

2024 Accomplishments (Continued)

- ▶ 9. Assessment made of all the sidewalk flags in the subdivision for damage, trip and fall risks, and flags for which Canton Township is responsible. (HOA Board volunteers conducted the assessment using Canton Township Criteria.). The sidewalk flags for which the HOA is responsible were shaved down by Precision Concrete Cutting on November 12th and 13th. Canton Township will replace their flags in 2025.
- ▶ 10. To prevent accidents, a new stop sign was installed for drivers exiting Graham Court. Speed Limit signs were also posted at the corner of Whiteheart Blvd/Tall Oak/Campbell Court.

2025 Projects

- ▶ Additional Road Maintenance to extend the life of the road for 4 to 6 years.
- ▶ Additional Maintenance of the sidewalks to reduce trip hazards and extend the life of the sidewalks
- ▶ Formal review (Top level assessment) of the detention ponds and storm sewer system. Some changes to the detention ponds (removing silt) to help ensure proper function)
- ▶ Updating governing document (Articles of Incorporation, Master Deed, and Bylaws) in order to comply with Michigan Law.