

Tottenham Homeowners Association Board

Meeting Meetings – January 11, 2024

Order of Business. The order of business at all meetings of the members shall be as follows:

- (a) roll call to determine the voting power represented at the meeting;
 - a. Meeting was called to order at 7:04 PM. Present from the board were Dennis Hussey, Mike O’Callahan, Terri Mulholland, Alexis Gavin, and Sarah Taylor
- (b) reports of officers starting with Budget, Dues payment status and penalty assessment;
 - a. HOA financial records have been entered into QuickBooks (QB). The QB data are complete through 2023.
 - b. Funds are distributed between the general checking, savings, and a CD (for the road account)
 - c. The volume of expenses in Nov/December was low. Due to budget pressures and increased costs, lighting for Christmas was omitted this year.
 - d. There are some outstanding dues from a few properties that we are working to collect.
- (c) unfinished business; and
 - a. Detention Ponds:
 - i. Recommend that the detention pond maintenance be a topic for the April homeowners meeting.
 - ii. From a legal standpoint – at the time of transfer of responsibility from the developer to the community, whatever the developer was responsible for became the responsibility of the HOA. Thus, Tottenham HOA is responsible for the detention pond maintenance agreement between the builder and the Township of Canton. Separate from the Road Account, a reserve fund will be needed to address repairs and maintenance of the detention ponds.
 - b. Road repairs:
 - i. The way that the condo association documentation was set up and developed, the community roads are considered private roads (not public roads) which makes us ineligible for Township or County funding to subsidize road repair. We have limited options for contesting this decision.
 - ii. We are required by law to maintain reserves for the road and the detention ponds and formally update our reserves accounts every few (3) years. We would need to hire a company to do a study and provide estimates for road replacement and detention pond work. If possible, we might be able to get some quotes at no cost to the HOA.
 - c. Assessments:
 - i. The assessments (amount and structure) will need to continue to be reviewed. If dues are raised, a potential consideration would be to structure the annual assessment to be paid monthly.
- (d) new business:

Melissa Francis our HOA Attorney with Hirzel Law was provided with a list of questions concerning HOA Management. The List of Questions is provided at the end of the minutes. Responses are listed below.

- The best way for a HOA Board and homeowners to protect themselves is to have **current** governing documents. Herzl provided a review of the Tottenham Governing Documents (i.e. a Report Card). This Report Card involved reviewing the current status of our governing documents and providing areas for update based on changes to laws. Overall Tottenham received a D grade, meaning that our documents are out of date and not in compliance with local, state, and federal regulations.
- Schedule a **few** study sessions – one to look at the report card and updates needed for the articles of incorporation and the master deed and another handful of sessions focused on the by-laws (the majority of the updates would apply to the association’s Bylaws). Also, we would need to make sure that all documents are consistent.
 - o Could we consider having policy documents referenced in the by-laws that would then be easier to update than having to make by-law updates?
 - o The recommendation is that we have as much in the by-laws as possible to reduce the confusion and complexity.
- The new Corporate Transparency Act – requires filing of certain information on HOA officers with the Federal Gov’t to maintain corporate transparency. This is a filing that can be facilitated through the Hirzel Law office. Compliance with the Act starts Jan 1, 2025 – so the first filing needs to happen by the end of 2024. Failure to comply could result in significant penalties.
 - o Anytime there’s a change in board members, the CTA filing needs to be updated.
- Community Association Institute (CAI) is an international organization which provides "education and resources to the volunteer homeowners who govern community associations, and provides petitions for legislative and regulatory beneficence for its members”.
 - o Membership in this institute would be beneficial. Membership in the Michigan Chapter is \$305 for the entire board. <https://www.cai-michigan.org/>
 - o The Michigan CAI holds a conference each year in March. It is recommended that some Tottenham Board members attend this conference. <https://www.cai-michigan.org/event-5454940?CalendarViewType=1&SelectedDate=3/13/2024>
- Hirzel firm has a blog that is updated weekly with additional information that may be useful.
- One possible route for getting more help from the township would be to make a list of things that we think Canton Township could be helping with and go to a township board meeting to express that feedback (potentially in conjunction with other HOAs).
- The board needs to finalize and get legal review of their collections policy (drafted in November 2023).
 - o Currently, late fees can be set based on the by-laws (\$25/per installment) with 7% interest also being applied.
 - o The collections policy would be a separate document to be included in the document reviews above.
- Recommendation to send violation letters regarding the sidewalk trip hazard situations.
 - o When we’re getting quotes for sidewalk repairs, see if there’s a way to join together with other homeowners who need to do the repairs and get a group price quote. (potentially abate and charge back).
- Consider making a separate sheet with homeowner contact information to distribute to everyone with the dues letter.
 - o Hirzel recommended looking into using something like Constant Contact for communication with homeowner.
- For property maintenance – there’s a process to follow with respect to sending violation letters, abatement letters, then can going to court to get the order to abate and charge back for maintenance activity.
- Wetlands/Woodlands need to be designated per the master plans and Canton Township ordinance and woodlands map.

- With respect to illegal activities – the recommendation is just to call the police. If it's persistent, it would be possible to send them a violation letter (per section 6.i in the by-laws).
- Will likely need a bylaws committee that goes door to door to inform homeowners and to go collect ballots.
- Dennis will reach out to follow up with the Hirzel law firm to determine next steps and to get clarification on a potential cost of the documents update and to request review of the collections policy.
- Homeowners associations are regulated by state law and the Michigan Licensing and Regulatory Affairs (LARA), but up to date governing documents and use of an attorney are the most relevant vehicles for compliance.

Appendix I: Questions for Melissa D. Francis, Esq., Hirzel Law

- 1) If we are following the Hirzel Law Essential Checklist for HOA Boards, what additional steps should we follow to reduce personal responsibility?
- 2) Which State Agency is responsible for enforcing the HOA/Non-Profit Requirements? Can you give examples of this agency holding HOA Boards Accountable?
- 3) If there is a sidewalk trip hazard in a homeowner section of sidewalk, what is the association's responsibility to avoid liability for a trip and fall? Should we send notices to homeowners or mark the hazard? (**Note:** Canton Township has an ordinance on sidewalk safety,)
- 4) Are there legal requirements to provide by-laws to new homeowners? Does posting these on the web page satisfy legal requirements?
- 5) For homeowners that do not maintain their yards to baseline minimum standards, can the association perform maintenance and bill the cost to the homeowner? Can we commission cutting tree limbs hang below 7 feet, cut grass over a 5 inches in height, trim over grown shrubs (this may be hard to define)?
- 6) How should the board address neighbors who let their property decline?
- 7) What is the appropriate method for instituting equitable payment terms, late fees, interest and payment plans?
- 8) Should we deal with illegal activity conducted in the community? How do we address illegal activity?
- 9) Tottenham has been advised that we own the roads. We applied for cost sharing with Canton Township/Wayne County for road repair/replacement, but were denied because we are organized under the Michigan Condominium Act. Do we have any methods of challenging this decision?

10) Are we required to maintain the 5 detention ponds since the maintenance agreement was between the builder and Canton Township?