



Willow Grove of Dublin Condominium Association
4900 Reed Road Suite 230 Columbus, OH 43220

10/15/2021

Dear Homeowners,

In 2017, the board had a Reserve Study completed on our property for upcoming Capital Expenses that could be costly and to prepare for them. The reserve study was shared with homeowners and some of the items that were highlighted and discussed large dollar amounts expenses such as: Roof Replacement/Gutters in 2022, Streets (Milling and repaving) in 2025, and potentially a new pool in 2027. **The board budgeted for roof replacement in 2022 based on the reserve study estimate of approximate \$375,000.**

In preparation for our first Capital Improvement/Expense of Roof Replacement, starting in 2017 the board slowly raised the association dues to help cover the expense, *along with covering other age-related capital expense during this time* (see below). As stated, per our reserve study 5 years ago, roof replacement was deemed to be approximately 400,000. However, as you can imagine today's prices have doubled that estimate, not only because of materials and labor, but transportation costs and the entire economy, i.e.: covid (for example: in March a sheet of plywood was \$38/sheet in April it was \$96/sheet). Much to our surprise, **the roof replacement quotes we are receiving today are in the \$750-800,000 range, with no signs that this will go down.**

As you are all aware, our community is almost 40 years old, and along with that comes many repair/replacement expenses because of age. Over the last 4-5 years, the board has done quite a few items themselves, for example this past year to help with expenses: grading and seeding manageable areas, shopping for trees/bushes, watering to maintain growth, etc. (to the tune of approximately \$8000). These age-related expenses came at a time when we were saving for roof replacement. Some of those expenses were/are:

Capital Expenses (last 4-5 years) - items pertaining to roofs

- 2 fire hydrants - \$6000/each 2021
- Dead Tree and Limb Removal - \$4800 - 2021 (we've done this most every year)
- New pool cover - \$5700 2021
- Leak in Pool Oct 13 Inspection - \$1,900
- 2- Concrete foundation issues - \$4200/each 2021 (we had one last year also)
- 6-7 Stucco Curtain Walls - \$4200/each 2021 (there are 20 total)
- Treatment of Mature trees – fertilization, pruning \$5652 throughout the years
- Water Pipe/Irrigation Line Breaks – \$18,106/\$2,669
- Deck on South Repair - \$5,000
- Decks on East – Power Washed/Repaired as needed
- Fencing - Power Washed and seal
- Brick Front Entrance
- Electrical Issues
- Irrigation Repairs -
- Painting of all buildings – 4 phases – 160,000/over 4 years
- **Roof Repairs – from age, critters, chimney issues, weather - \$30,000 over 5 years.**
 - 8 stucco/brick chimneys rebuild or partial rebuild - \$28,000 2021**
 - Painting Stucco Repairs - \$3660 2021**
 - Remove Gutter cover and clean out gutters (prep for roofing) - \$6800**

Attached you will find our Operational and Capital Budget along with Bank Account Reserve (*as you can see, we have acquired our goal for reserve study budgeted amount for roofs + 100,000*). We are required by law and bylaws to maintain 10% of our Annual HOA Dues in our Bank Account Reserves, however with our aging community the board feels it should be a minimum of 20-30% in reserves.

What you don't repair, you destroy, as noted by many newsworthy items over the last year (i.e.: Florida condos collapsing, aging bridges, etc.). In preparation for new roofs (which will maintain/increase our property values) we want to be very transparent in the process the board is taking:

1. We will need all trees in homeowners' patios trimmed away from rooflines, we have identified approximately 14 sites and homeowners will be sent letters regarding this, we have access to Eddie's Tree Trimming to offer homeowners special pricing to assist:
 - a. Trees that are overgrown and overhang roofs allows critters to gain access to roofs/attics
 - b. Quite a bit of damage is done by critters (as we have aerial drone views roof damage) in several buildings, we will be repairing roofs that are damaged.
2. Removing gutter guards. After much discussion with roofing companies and board members, it was determined that gutter guards are more of a detriment than aid in drainage.
 - a. Large amount of sediment from roofing is left in gutters and gutter guards get clogged with leaves from all the trees in this neighborhood.
 - b. In lieu of gutter guards we will be removing existing gutter guards, flushing/cleaning gutters 1-2 times a year to remove sediment and leaves in preparation for new roofing. We will not be getting replacement gutter guards.
3. Many aging Stucco/Brick chimneys have been replaced and/or partially redone based on their failing stucco/brick and hidden rotted wood.
4. The age of our community vented bathrooms exhaust fans into attic/crawl spaces/garage areas (this is not up to today's code). We will need to have bathroom exhaust fans vented out through the roofing, which is an additional item added to roofing replacement costs. The potential for rotted plywood under shingles comes into play based on how it was previously vented.
5. Some of our buildings have two layers of shingles, which is an extra cost to remove.
6. Our gutters are in good shape and will be shored up and maintained as previously discussed in #2.
7. We started obtaining quotes from 4-5 Roofing Companies of various reputations, reviews, and size. NOTE: The Board and Patterson Merkle vet and walk the property with vendors to make sure they are a good fit. Some of the companies who quoted were: Feazel, Able (Contractors Inc), Newman Roofing and Muth Company Roofing.
8. FYI: The average cost to replace a roof nationwide is from \$8-12,000 not taking into consideration extra repair/venting, etc. (Most have said average cost is \$17,000).
9. All companies were very similarly priced, but only one company stood out and came to a board meeting for presentation. They showed pictures of our community and roofing, pointed out the bath vent issue, and 2 layers of shingles, along with plywood costs. The reviews for this one company are extraordinary online (we hope you will look yourselves). They are family owned and operated. They only handle a few larger jobs a year so that they do not overextend. Their crews are each have a supervisor and they have all worked together on each job. They will attend our homeowner meeting and are open to any questions/concerns.

We realize there will be many questions/concerns and discussion surrounding this information and will be having an all homeowners meeting on Thurs, November 4th at 6:30 pm at Dublin Municipal Building 5200 Emerald Parkway, Dublin, OH. Newman Roofing, the Association Board, Patterson Merkle, and Jesse M Kanitz legal counsel with Williams & Strohm, LLC will be available.

Sincerely,
Willow Grove of Dublin Board of Directors

2022 (If Paid in 3 Installments)				
Roof	Roof	Roof	Roof	
MONTHLY	Due Jan. 1st	Due July 1st	Due Oct. 1st	2022
<u>FEE</u>	<u>FEE</u>	<u>FEE</u>	<u>FEE</u>	<u>ANNUAL</u>
\$271	\$1,086	\$1,086	\$1,086	\$201,987
\$319	\$1,278	\$1,278	\$1,278	\$45,996
\$353	\$1,412	\$1,412	\$1,412	\$63,529
<u>\$353</u>	<u>\$1,412</u>	<u>\$1,412</u>	<u>\$1,412</u>	<u>\$59,289</u>
\$30,900	\$123,600	\$123,600	\$123,600	\$370,800

Unit Type	Number of Units	2021 Monthly Association Fee	2022 Monthly Association Fee (+10%)		2022 Monthly Association Roof Fee *deposited in separate Roof Bank Acct (12 Monthly payments)		2022 Lump Sum Association Roof Fee	Roofing Bank Account Collected via Association Roof Fee	HOA Roof Bank Account from Reserve Dollars Bank Account
A, B, Equals, Equals plus, B Revised	62	\$268	\$295	PLUS	\$271	OR	\$3,258	\$201,987.00	
C-1 Int,C-2 Ext (1 car), C-2 Int, C revised, F	12	\$316	\$347		\$319		\$3,834	\$45,996.00	
C-1, Ext (2car), D, E, E revised	15	\$349	\$384		\$353		\$4,236	\$63,529.00	
Finale, C-2 Ext, E	14	\$349	\$384		\$353		\$4,236	\$59,289.00	
								\$370,800.00	*\$430,000

*Note: The association has accumulated this amount in anticipation of the Reserve Study Roof Replacement projected costs of \$375,000

WILLOW GROVE OF DUBLIN CONDOMINIUM ASSOCIATION
BALANCE SHEET
September 30, 2021

ASSETS

Cash - PNC Checking	\$198,646.20
First Financial Reserve Account	273,696.45
Prepaid Insurance	<u>7,274.68</u>
TOTAL ASSETS	<u>\$479,617.33</u>

LIABILITIES AND HOMEOWNERS' EQUITY

Homeowners' Equity - 12/31/20	\$421,166.15
Increase (decrease) in 2021	<u>\$58,451.18</u>
TOTAL LIABILITIES AND HOMEOWNERS' EQUITY	<u>\$479,617.33</u>

**Budget Comparison (Accrual)
Willow Grove Condominiums - (wgrove)
September 2021**

	MTD Actual	MTD Budget	\$ Var.	% Var.	YTD Actual	YTD Budget	\$ Var.	% Var.	Annual
REVENUE									
Homeowner's Fees	30,529.00	30,529.00	0.00	0.00	274,761.00	274,761.00	0.00	0.00	366,348.00
Interest Income	28.77	28.00	0.77	2.75	234.72	259.00	-24.28	-9.37	343.00
Receivables-(Increase)/Decrease	-804.25	0.00	-804.25	0	-9,189.19	0.00	-9,189.19	0	0.00
Prepays - Increase/(Decrease)	52.74	0.00	52.74	0	-531.59	0.00	-531.59	0	0.00
Late Fee & Misc Income	125.00	73.00	52.00	71.23	765.45	666.00	99.45	14.93	885.00
TOTAL INCOME	29,931.26	30,630.00	-698.74	-2.28	266,040.39	275,686.00	-9,645.61	-3.50	367,576.00
EXPENSE:									
ADMINISTRATIVE EXPENSE:									
Management Fee	1,872.00	1,872.00	0.00	0.00	16,845.00	16,845.00	0.00	0.00	22,461.00
Legal & Accounting Fees	0.00	416.00	416.00	100.00	-1,662.50	3,752.00	5,414.50	144.31	5,000.00
Office Supplies/Postage/Misc.	362.00	183.00	-179.00	-97.81	1,098.35	1,651.00	552.65	33.47	2,200.00
Telephone	55.48	50.00	-5.48	-10.96	501.40	450.00	-51.40	-11.42	600.00
Insurance Expense	3,239.00	3,239.00	0.00	0.00	29,156.00	29,156.00	0.00	0.00	38,873.00
TOTAL ADMINISTRATIVE EXPENSE	5,528.48	5,760.00	231.52	4.02	45,938.25	51,854.00	5,915.75	11.41	69,134.00
MAINTENANCE & REPAIR EXPENSES:									
Common Area Maintenance	1,312.51	3,750.00	2,437.49	65.00	47,185.49	39,000.00	-8,185.49	-20.99	45,000.00
Pool Expense	600.00	1,700.00	1,100.00	64.71	10,521.45	13,200.00	2,678.55	20.29	14,200.00
Landscapes/Drives-Contra	5,615.80	5,224.00	-391.80	-7.50	43,446.06	36,568.00	-6,878.06	-18.81	52,240.00
Landscapes/Drives - Misc	172.82	0.00	-172.82	0	4,394.16	6,639.00	2,244.84	33.81	6,639.00
Snow Removal	0.00	0.00	0.00	0	11,540.13	11,000.00	-540.13	-4.91	13,000.00
TOTAL MAINTENANCE & REPAIR EXP	7,701.13	10,674.00	2,972.87	27.85	117,087.29	106,407.00	-10,680.29	-10.04	131,079.00
UTILITIES:									
Utilities - Water/Sewer	5,004.05	2,990.00	-2,014.05	-67.36	27,677.82	26,911.00	-766.82	-2.85	35,881.00
Utilities - Electric	376.33	155.00	-221.33	-142.79	1,762.53	1,399.00	-363.53	-25.98	1,864.00
Utilities - Gas	37.00	33.00	-4.00	-12.12	323.32	297.00	-26.32	-8.86	400.00
TOTAL UTILITIES	5,417.38	3,178.00	-2,239.38	-70.47	29,763.67	28,607.00	-1,156.67	-4.04	38,145.00
TOTAL OPERATING EXPENSE	18,646.99	19,612.00	965.01	4.92	192,789.21	186,868.00	-5,921.21	-3.17	238,358.00
INCREASE IN OPERATING RESERVE	11,284.27	11,018.00	266.27	2.42	73,251.18	88,818.00	15,566.82	17.53	129,218.00
CAPITAL EXPENSES:									
Painting	0.00	0.00	0.00	0	0.00	0.00	0.00	0	5,000.00
Patio Fence Refurbish	0.00	0.00	0.00	0	0.00	0.00	0.00	0	10,000.00
Landscape Improvements	4,800.00	10,000.00	5,200.00	52.00	4,800.00	10,000.00	5,200.00	52.00	15,000.00
Street Light Replacement	0.00	0.00	0.00	0	0.00	0.00	0.00	0	8,000.00
Concrete Repairs	0.00	0.00	0.00	0	0.00	0.00	0.00	0	20,000.00
Sprinkler System	0.00	0.00	0.00	0	0.00	0.00	0.00	0	3,000.00
Stucco Repairs	10,000.00	10,000.00	0.00	0.00	10,000.00	10,000.00	0.00	0.00	10,000.00
Foundation Repair	0.00	0.00	0.00	0	0.00	0.00	0.00	0	6,000.00
Electric Meter Box Replacement	0.00	0.00	0.00	0	0.00	0.00	0.00	0	10,000.00
Masonry Chimney Repairs	0.00	0.00	0.00	0	0.00	0.00	0.00	0	6,000.00
Utility Line Repair	0.00	0.00	0.00	0	0.00	0.00	0.00	0	20,000.00
TOTAL CAPITAL EXPENSES	14,800.00	20,000.00	5,200.00	26.00	14,800.00	30,000.00	15,200.00	50.67	112,000.00
NET RESERVE INCREASE/(DECREASE)	-3,515.73	-8,982.00	5,466.27	60.86	58,451.18	58,818.00	-366.82	-0.62	17,218.00

Reserve Study Worksheet - Annual Expense By Year



Site	Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
	Year Number:	1	2	3	4	5	6	7	8	9	10
Asphalt Type II Slurry Seal		42,316	0	0	0	0	0	0	0	0	0
Asphalt Seal Coating & Crack Sealing		0	0	0	0	24,181	0	0	24,181	0	0
Asphalt Milling and 1.25" Resurfacing Course		0	0	0	0	0	0	0	0	0	0
Asphalt Full Depth Repairs		12,000	0	0	0	0	0	0	0	0	0
Concrete Repairs		20,000	0	0	0	0	0	0	0	0	0
Tree Removal		0	0	0	0	0	5,000	0	0	0	0
Building Exterior											
Trim Repairs / Replacement		0	0	0	0	0	10,000	0	0	0	0
Reroof Buildings		0	0	0	0	0	361,200	0	0	0	0
Chimney Repairs		5,000	0	0	0	0	5,000	0	0	0	0
Painting		37,000	0	0	0	0	0	0	90,000	0	0
Stucco Repairs		3,000	0	0	0	0	3,000	0	0	0	0
Brick Tuck-Pointing		0	0	0	0	0	0	0	0	0	0
Building Interior											
Mechanical											
Pool Equipment Replacement		0	0	0	4,000	0	0	0	0	0	0
Lawn Sprinkler System Repair / Replacement		0	0	0	0	0	3,000	0	0	0	0
Electric Meter Box Replacement		6,500	0	0	0	0	0	0	0	0	0
Amenities											
Pool Relacement		0	0	0	0	0	0	0	0	0	0
Pool Furniture		0	0	0	0	0	0	0	0	0	0
Other											
Fence Repairs		0	0	0	0	0	10,000	0	0	0	0
Update Reserve Study		0	0	0	0	0	2,800	0	0	0	0
Front and Street Sign Replacement		0	0	0	0	0	0	0	0	0	0
Street Lamp Replacement		0	0	0	15,000	0	0	0	0	0	0
Total Costs		125,816	0	0	19,000	24,181	400,000	0	114,181	0	0
Total Costs Adjusted For 3.5% Inflation		125,816	0	0	21,066	27,748	475,075	0	145,270	0	0

Year:	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Year Number:	11	12	13	14	15	16	17	18	19	20
Site										
Asphalt Type II Slurry Seal	0	0	0	0	0	0	0	0	0	0
Asphalt Seal Coating & Crack Sealing	0	0	0	24,181	0	0	24,181	0	0	24,181
Asphalt Milling and 1.25" Resurfacing Course	199,490	0	0	0	0	0	0	0	0	0
Asphalt Full Depth Repairs	12,000	0	0	0	0	0	0	0	0	0
Concrete Repairs	20,000	0	0	0	0	0	0	0	0	0
Tree Removal	5,000	0	0	0	0	5,000	0	0	0	0
Building Exterior										
Trim Repairs / Replacement	10,000	0	0	0	0	10,000	0	0	0	0
Reroof Buildings	0	0	0	0	0	0	0	0	0	0
Chimney Repairs	5,000	0	0	0	0	5,000	0	0	0	0
Painting	0	0	0	0	90,000	0	0	0	0	0
Stucco Repairs	3,000	0	0	0	0	3,000	0	0	0	0
Brick Tuck-Pointing	20,000	0	0	0	0	0	0	0	0	0
Building Interior										
Mechanical										
Pool Equipment Replacement	0	0	0	4,000	0	0	0	0	0	0
Lawn Sprinkler System Repair / Replacement	0	0	0	0	0	3,000	0	0	0	0
Electric Meter Box Replacement	0	0	0	0	0	0	0	0	0	0
Amenities										
Pool Relacement	114,000	0	0	0	0	0	0	0	0	0
Pool Furniture	7,000	0	0	0	0	0	0	0	0	0
Other										
Fence Repairs	10,000	0	0	0	0	10,000	0	0	0	0
Update Reserve Study	2,800	0	0	0	0	2,800	0	0	0	0
Front and Street Sign Replacement	3,000	0	0	0	0	0	0	0	0	0
Street Lamp Replacement	0	0	0	0	0	0	0	0	0	0
Total Costs	411,290	0	0	28,181	90,000	38,800	24,181	0	0	24,181
Total Costs Adjusted For 3.5% Inflation	580,166	0	0	44,073	145,683	65,004	41,929	0	0	46,487