



December 1, 2021

Willow Grove of Dublin Condo Owners:

This letter is sent as a follow-up to the informational meeting held on Thursday, November 4, 2021, and to provide those residents that could not attend some of the information that was presented and discussed. The Association's Board of Directors (the "Board") scheduled this informational meeting to discuss with the owners the Board's decision to move forward with the replacement of the Association's aged roofs and the associated increase in assessments that are necessary due in large part to the unanticipated spike in construction and material costs. In addition to the Board and other Association representatives, a reserve study professional and representatives from Newman Roofing were present to discuss the Board's planning process leading up to the decision to replace the roofs and to present their findings after performing an examination of some of the community's roofs. Below, the Board has attempted to highlight some of the main areas of concern and question that were voiced at the meeting and provide insight into the Board's decision and planning process.

Do roofs really need replaced in 2022? While few present disagreed that the existing roofs need to be replaced, some expressed a desire to wait another year or to complete the roofing project in phases to lessen the increase of assessments needed this year. The Board considered these ideas when reviewing the Association's roofing needs; however, it ultimately determined the Association, as a whole, would benefit by proceeding with total replacement in 2022. While costs have risen drastically in the construction field, the Board was advised by multiple professionals that there is no reasonable likelihood that prices will either drop after 2022 or stop increasing at a high rate. As a result, delaying the project will surely result in the Association facing even greater roofing costs. Further, completing the project in phases over a protracted time period lengthens the time residents must deal with on-going construction, often results in project mismatch, and creates additional time for the Association to deal with maintenance issues from failing roofs and potential liability for resulting internal damage to units.

Is there a decision on roof replacement? In order to continue to do what is best for the Association, as a whole, the Board will move forward with roof replacement for the entire community and work towards building up reserve funds. We live in a beautiful, but older community which, as we all know, requires regular maintenance. The roofs are the largest project this community faces at present but other major expenditures are anticipated, e.g., asphalt replacement, major pool repairs/replacement. All of these expenditures are an investment in each unit owner's property value and the community of Willow Grove.

How many roof replacement estimates did the board get and what were the companies and range? The Board and Patterson Merkle met with **6** different roofing replacement companies: Muth Roofing, Newman Roofing, Contractors Inc (Able) Roofing, AC Roofing, and Feazel Roofing. All estimates were within the \$700,000-\$800,000 range. A few of the companies wanted decisions by the end of September 2021, and all of them except two mentioned 20% price increase for next year.

What information was used as a baseline for budgeting for roofs? As explained in the previous letter announcing the informational meeting, the Board had a reserve study completed for the Association in 2017. A reserve study is a tool used by community associations where a professional reviews the Association's capital improvements and provides guidance as

to future amounts needed by the Association to ensure it can properly maintain its capital assets, such as roofs. After reviewing the recommendations of the 2017 reserve study, the Association increased the amounts it was collecting and setting aside for capital improvements, and it does have a sufficient amount in its reserve accounts to meet the anticipated roof replacement cost as set forth in that study. The 2017 reserve study, nor anyone else, however, predicted the impact of Covid-19 and the dramatic increase in costs that the world is now experiencing. Despite the increase in costs, however, and for the reasons discussed above, the Association's roofs still need replaced.

What if I cannot afford the roofing payments? Based on these extreme and sudden increases, the Board is faced with the need to substantially increase assessments in 2022 to cover the amount now needed to complete the roof replacement project. The Board is cognizant that while the increase in assessments is an inconvenience for some, it may be a greater hardship for others. Because of this, the Board has developed several payment options to help provide flexibility to the owners. Those options are set forth in detail in the previous letter sent by the Board and will be further addressed in subsequent mailings, but generally speaking, provide options that allow owners to pay certain installment amounts as may work best for their budget. Additionally, once the increased assessments are in effect in 2022, the Board remains committed to working with those who may be experiencing difficulty in making their increased payments. Any owner in such a situation should contact Patterson-Merkle to explain their particular situation, and it will be presented to the Board, in confidentiality, to determine whether other payment options may be considered.

How have unit owners been kept apprised of the need for new roofs in the community? It should not come to a surprise to anyone that new roofs are needed as it's been more than four and a half years since the completion of the reserve study; the posted November 2, 2020, minutes discussed roof replacement needed within the next couple of years; the posted spring 2021 newsletter stated that replacement of roofs throughout the community is anticipated to begin in 2022/2023; and the posted September 21, 2021, minutes covered a presentation to the Board by Newman Roofing and that a special meeting for unit owners would be scheduled in early November 2021 to discuss new roofs, cost, and when the project should begin. Roofs were also discussed in the minutes of September 28, 2020, where the need to replace roofs was noted as well as the possibility of increased monthly assessments for new roofs; in the minutes of August 24, 2021, where it was stated that roof replacement needed to be done soon and that the Board wanted Patterson-Merkle to obtain quotes; and in the October 5, 2021, minutes where special meeting date given as well as decision to increase monthly assessments to cover amount needed for roofs not covered in reserves and to maintain a separate account for the roof monies to ensure it is not utilized for other maintenance.

Since the November 4th meeting the board had reviewed all the final roof submissions. AC Roofing presented their proposal and discussed their findings. The Board will award this contractor the project. The time frame for the project will begin around August 2022.

Attached is the 2022 budget with options for payments.

Please look for updates on roof replacement and other issues within the community provided via letters, newsletters, and minutes. Also, please access the Willow Grove of Dublin website is via: willowgroveofdublin.com

Willow Grove Board of Directors

Willow Grove of Dublin Condominium Association

Notice of 2022 Budget and Condominium Fees
December 2021

Pursuant to the Declaration of Willow Grove of Dublin Condominium Association, a budget has been established and approved by your Board of Directors for the calendar year 2022.

The monthly condo fees set forth in the box below, are effective January 1, 2022. If you are on the "Auto Payment Plan" with Patterson Merkle your updated fee amount will continue to be automatically deducted. Those on an Auto Payment Plan will, in addition to the Base Monthly Fee, have amounts withdrawn in accordance with the Monthly option set forth in the 2022 Roof Payment Options chart found on the second page of this notice.

If you are not on the "Auto Payment Plan" and would like to start having your monthly fee deducted from your bank account, or if you are on an Automatic Payment Plan and would like to pay the Additional Roof component pursuant to the Installment or Lump Sum options provided by the Association (as opposed to the Monthly option) please contact Patterson Merkle at (614) 235-1187 or email pma2977@yahoo.com. Monthly Fees are due on the 1st of the month, and a late charge of \$25.00 is applied if not received by the 15th of the month.

Please address all checks payable to Willow Grove of Dublin and use the envelope provided with the water bill from Guardian to mail your monthly condominium fee.

**Willow Grove of Dublin Condominium Association
C/O Patterson Merkle Management
4900 Reed Rd. Ste 230
Columbus, OH 43220**

Please include your address number with your payment.

Monthly 2022 Fee	Roof Fee
(\$268 increases to) \$295.00	\$3,258
(\$316 increases to) \$347.00	\$3,834
(\$349 increases to) \$384.00	\$4,236
(\$349 increases to) \$384.00	\$4,236
Payment options for roof fee on next page	

The Board has a fiduciary duty to operate the Association in accordance with sound fiscal practice. The Directors have approved the budget to ensure that operating and capital needs are adequately funded.

The budget provides adequate funding for increase to operating and reserves expenditures to include total roof replacement in Fall 2022.

1. The assessment increase attributable to the roofing project has been separated from the base monthly 2022 fee in this chart to clearly show owners the cost and to help illustrate and facilitate the alternative payment options being provided by the Board.

Willow Grove of Dublin Condominium Association
 Notice of 2022 Budget and Condominium Fees
 December 2021

Payment options for the 2022 Condominium Fees:

2022 Roof Payment Options						
Monthly Payments Due Feb. 1st	Roof Fee - 3 Installment payments				Roof One Time Payment	
	Due Feb. 1st	Due Sept. 1st	Due Dec. 1st	Due Feb. 1st		
\$271	O	\$1,086	\$1,086	\$1,086	O	\$3,258
\$319	R	\$1,278	\$1,278	\$1,278	R	\$3,834
\$353		\$1,412	\$1,412	\$1,412		\$4,236
\$353		\$1,412	\$1,412	\$1,412		\$4,236

PLEASE NOTE THAT THE PAYMENT OPTIONS LISTED ABOVE ARE IN ADDITION TO THE APPLICABLE MONTHLY 2022 FEES SET FORTH ON THE FIRST PAGE OF THIS NOTICE.

If you should have any questions about the budget notice, please contact Maxine Bame at Patterson Merkle Management, 4900 Reed Rd, Suite 230, Columbus, Ohio 43220, by e-mail mbame@pattersonmerkle.com or call at (614) 235-1187.

By Order of the Board of Directors,
 Willow Grove of Dublin Condominium Association

WILLOW GROVE CONDOMINIUMS
Approved Budget 2022

REVENUE

Homeowner's Fees	\$773,760.00
Interest Income	\$235.00
Late Fees & Misc Income	\$765.00
TOTAL INCOME	<u>\$774,760.00</u>

ADMINISTRATIVE EXPENSES

Management Fee	\$23,135.00
Legal & Accounting Fees	\$10,000.00
Office Supplies/Postage/Misc.	\$2,200.00
Telephone	\$600.00
Insurance Expense	\$40,431.00
TOTAL ADMINISTRATIVE EXPENSES	<u>\$76,366.00</u>

MAINTENANCE & REPAIR EXPENSES

Common Area Maintenance	\$50,000.00
Pool Expense	\$8,331.00
Landscape/Drives - Contract	\$57,835.00
Landscape/Drives - Misc.	\$6,639.00
Snow Removal	\$13,000.00
TOTAL MAIN. & REPAIR EXPENSE	<u>\$135,805.00</u>

UTILITIES

Utilities - Water/Sewer	\$20,000.00
Utilities - Electric	\$2,141.00
Utilities - Gas	\$442.00
TOTAL UTILITY EXPENSE	<u>\$22,583.00</u>

TOTAL OPERATING EXPENSE \$234,754.00

OPERATING RESERVE INCR (DECR) \$540,006.00

CAPITAL (MAJOR) EXPENSES:

PAINTING	\$5,000.00
CONCRETE REPAIRS	\$10,000.00
STUCCO REPAIRS (CURTAIN WALLS)	\$10,000.00
ROOFS	\$800,000.00
CHIMNEY REPAIRS	\$20,000.00
TOTAL CAPITAL EXPENSES	<u>\$845,000.00</u>

NET RESERVE INCREASE (DECREASE) (\$304,994.00)

TOTAL RESERVE \$144,035.56