

2022 ANNUAL REPORT

'The Groves at the Villages of Wetherington Condominium Association, Inc.'

SIX BENEFITS LIVING IN A COA COMMUNITY

A MESSAGE FROM THE BOARD OF DIRECTORS

If there's anything most people know about condo associations, it's that there are rules to follow and assessments to pay. And while all this is true, the rules and regulations set forth by the association are there for a reason—to make any community not only pretty, but also an all-encompassing wonderful place to live. And it truly is a great place to live for many reasons, but here are our top six benefits to living in a COA:

CONSISTENT PROPERTY VALUES-One of the main reasons people buy into a COA is due to the consistency of property values. A board is there to help you protect your investment—and ensure that investment maintains its value. All owners must comply with the community laws related to the upkeep of their lawns, homes, and personal property. This is not only for a homeowner's benefit, but also for the benefit of the entire community. Board members live in the same association, and they want to see it thrive as much as you do.

A CULTURE OF ACTIVITY-In a community with an COA, there's something for everyone to do. From barbecues to board meetings and committee involvement, there's plenty of opportunities for neighbors to get together, meet each other, create personal bonds, and do good for their community. It's an environment that fosters engagement in fun activities and association duties.

SENSE OF BELONGING-The biggest emotional benefit is a real sense of togetherness. Whether it's a condominium or a master-planned community, you, your neighbors, and your association team are in it together. This benefit can be especially crucial for people who don't have family close by, as neighbors often become their chosen family. Additionally, those who live within a community often have similar lifestyles, which helps build camaraderie.

SELECTION OF AMENITIES-Depending on the type of community you live in, you can be sure to find amenities that suit your lifestyle. Walking paths, pools, recreational areas, gyms, and parks are all the amenities you're likely to find in many communities. Great for families, seniors, and young adults, there's a community that you can feel happy living in.

STANDARDS OF COMPLIANCE-There are guidelines that all unitowners must comply with, and buyers should make themselves familiar with the governing documents before signing on the dotted line. Typically, associations will not tolerate unruly behavior—whether it's a rambunctious late-night party in someone's backyard or a clear disregard for architectural rules. There's a board set in place to mediate neighbor disputes and set forth consequences when things go wrong.

COMMON AREA MAINTENANCE-A well-maintained community isn't just nice to look at, but also easy to live in. There's harmony and peace that derive from trimmed trees, blooming

flowers, and a garbage-free landscape. A community's wellbeing is important and knowing that these services are taken care of eases the burden of homeownership.

There are many benefits of living in a COA, but do you really know if you're prepared for the lifestyle? Moving into a community governed by a condo owners' association is a very big decision.

HOW DOES THE GROVES MEASURE UP TO YOUR EXPECTATIONS?

Send comments to latief.moses@gmail.com (Director/President)

Source: Association Publication

Places of peace & harmony might be hard to find, but that doesn't mean they are impossible to find. Remember that the moment you enter any place, you change it by your presence. Your footsteps will bend the lush grass you see on the other side of the fence. D J Conte

ANNUAL BOARD OF DIRECTORS REPORT CARD

PREFACE-The following lead-in sentence & bullets are taken from the website "Return to the Neighbor Huddle Resources" & article entitled "The Role of Today's HOA Board of Directors" by Linda A. Bartel, AMS, LSM, PCAM, Association Times. But the information under each bullet is original and pertinent to 'The Groves'.

"A Recap of the Board Member's Role: Acting through the board as a whole, a board member should:"

- ***Enforce the documents***
 - The Association maintains a contract with the law firm of Kaman & Cusimano, LLC in the event of any necessary enforcement
 - There has been no need to utilize this service in the past 12 months
 - Declarations, By-laws, Amendments & Board Rules are published in the Association's web-site www.thegroveswooster.com
 - A formal process for architectural changes via an "Application for Architectural Change Form" process is in place. The form is on our web-site
 - Notices of late & delinquent monthly assessment payments were sent representing one Unit Owner
 - Notice included requiring payment of assessments via cash with receipt or money order i.e. personal checks no longer accepted from this Unit Owner
 - Reminders of policies & rules are regularly put in the association's newsletter
- ***Establish sound fiscal policies and maintain accurate record***
 - The Board adopted an annual Investment Policy Statement (September 2021)

- All Association investments must be put in FDIC or equivalent insured investments
- The Board has a rule that governs the number of expenditures the President can make without obtaining Board approval. (\$1000 unless governed by contract)
- The Board has a rule requiring two signatures on any check \$500 or over.
- The Board develops & adopts workable budgets (Operating & Capital) keeping in mind the needs, requirements and expectations of the Association
- The Treasurer prepares monthly financial reports & provides those reports at regularly scheduled Board meetings
 - Any Unit Owner upon prior request can view the Association's financial records
- In May 2022 the Treasurer mailed all Unit Owners a letter via USPS that informed each Unit Owner of the status of their monthly assessment payment record in order to prepare to transition this record keeping over to Grace Property Services a.k.a. GPS
- Effective July 1, 2022 the Board entered into a contract with GPS to manage the Association's Operational Funds including
 - The collection of monthly assessments
 - The payment of invoices w/Board approval
 - Operating Fund reports
 - The completion of mortgage & title information documents
- In June 2022 the Association secured its first business only computer for use by the Treasurer & to keep current & historic e-records
 - The outgoing Treasurer who had to resign in June due to an impeding move helped the incoming Treasurer with the transfer of records
- ***Financial records are permanently kept***
 - The Associations attorneys are authorized to file business documents with the Ohio Secretary of State on behalf of the Association.
 - The Association maintains comprehensive insurance policies
 - Property & Fidelity (Loss of funds) Insurance (West Bend Mutual)
 - Liability Insurance (Cincinnati Insurance)
 - The Association has at least two signatories on file with all of the financial institutions that does its business
 - Effective July 1, 2022 GPS processes checks with Board approval
 - Capital Expenses over \$500.00 requires two signatures from the Board-Treasurer's & President's
 - The Association did not have an independent audit conducted; however, per the July 1, 2022 contract with GPS the Association plans to have such an audit completed in CY 2023
 - Historic records are kept in the Association's filing storage cabinet at the Clubhouse, on the Association's website 'thegroveswooster.com', with GPS, on the Association's computer & with Whitaker-Myers Insurance Group
- ***The Board adopts an annual Operating Budget and Capital Budget***
 - The Board annually adopts both an Operating & Capital Budget
 - The Budgets are done by a 'Line Item' format
 - The Budgets are constructed using historical data, future projections & the Reserve Study

- All Unit Owners are given copies of the budgets
 - Financial Reports are periodically sent to Unit Owners via email as well as available at Board meetings
 - In June 2022, to prepare for the transfer of the Operating Funds to GPS, the Treasurer reformatted the CY 2022 Operating Budget to better align with the budget format used by GPS
 - In August 2022 the Treasurer convened an ad hoc Budget Committee essentially inviting all Unit Owners to a meeting to help draft the framework for the 2023 Operating Budget & Capital Budget
- ***Establish reserve funds***
 - The Association utilizes the Reserve Study update completed in CY 2020 to determine the amount needed to be budgeted for the upcoming fiscal year
 - The Association has all its Reserve Funds invested in FDIC insured products
 - The Association is fully funding its Reserves as prescribed in its Reserve Study
 - Front stoop light fixtures & garage light fixtures were inadvertently left out of the 2020 Reserve Study
 - Extra reserves will be put in for the light fixtures starting in CY 2023 like what was adopted in 2022
- ***Act on budget items and determine assessment rates***
 - The Operating Budget is based on a 'line-item' format
 - In June 2022 the Operating Budget was re-formatted to take away sub-line items that were replaced by their own distinct line items
 - Monthly assessments for the Operating Budget are determined by the 'Percent of Common Elements' as required in the Declarations
 - There were no special assessments levied
 - In order to account for the additional expense of the GPS contract, the Board decided to use some of its Long-term Operating Funds instead of issuing a special assessment
- ***Collect assessments*** (Note: The following section reflects data from Sept. 2021-June 2022. After June 2022 the Association turned over these financial responsibilities to Grace Property Services. See the GPS report for more information.)
 - All monthly operating assessments were collected
 - There was one unit that had delinquent assessments owed for March & April 2022
 - Those delinquent assessments were collected in May 2022
 - There were several 'Notice of Late Payment' & 'Notice of Delinquent Payment' letters sent all to one Unit Owner with the payment of \$50.00 late assessment collected
 - There were no special assessments levied against Unit Owners
- ***Establish, publicize, and enforce rules and penalties***
 - The Board utilizes the Utt Brothers Marketing & Web Design to maintain our web site
 - Our web-site is www.thegroveswooster.com
 - The web-site has all the Association's Declarations, By-laws, Amendments & Board Rules published
 - All approved Board Minutes except Executive Session Minutes are posted on the web-site

- Unit Owner's names are redacted whenever names appear in the Minutes
 - Numerous 'The Groves Newsletters' are sent via email throughout the year that have rules and related information to Unit Owners
- ***Authorize legal action against owners who do not comply with the rules***
 - There were no reasons in the past year to do this
 - One Unit Owner was informed about the legal steps that would be taken if the delinquent assessments were not paid
 - There has not been, nor is there currently, any filed, settled or pending lawsuits against the Association
- ***Review local laws before passing rules or sending bylaws to membership for approval***
 - The Board has an annual contract with attorneys that are used in cases of any questions regarding rules and by-laws
 - There were no proposed by-law changes in the past 12 months
- ***Appoint committees and delegate authority to them***
 - The Board only has one standing committee, the Social Committee
 - The President is currently serving as Chair for Nominations
 - Announcement of forthcoming vacancies including how to be nominated are announced at Board meetings and via the Association's newsletter
 - In place of committees the President has assigned each Board member areas of responsibilities
 - Each Board member can choose to work with informal work groups as needed
 - The Association has a core of volunteers who regularly assists the Board in carry-out jobs & activities
 - The Treasurer invited all Unit Owners to participate in an ad-hoc Budget Committee to help prepare the 2022 Budgets & the 2023 Budgets
- ***Select an attorney, an auditor, insurance agency and other professionals for the association***
 - Effective July 1, 2022 the Board entered into a contract for financial services with Grace Property Services. See the GPS section for a fuller report.
 - The Association has an annual contract with the law firm, Kaman & Cusimano, LLC, that exclusively practices condo, homeowner association work
 - The Association has Whitaker-Myers Group as its insurance agency that services insurance needs
 - Property Insurance with West Bend Mutual
 - Liability Insurance with Cincinnati Insurance
 - The Association consulted its insurance representative in regard to proposed contract language with GPS covering insurance
 - The Association currently does not have an auditor or CPA for service needs
 - As part of the GPS contract, the Association is planning to start conducting annual audits starting in 2023
 - The Board had a long-term contract with Nev's Landscaping, LLC for both landscaping & snow removal services

- Due to a labor shortage of Nev's, the contract was mutually terminated in Jan. 2022
- The Board with the help of Nev's entered into a new landscaping & snow removal contract with Stoney Creek Landscaping, Inc.
- The Board has a long-term contract with Buckeye Mobile Power Washing to regularly power wash our buildings & fence
 - The Board uses a 4 year cycle to wash its 13 buildings
 - The 'middle 3 buildings were cleaned in June 2022
- The Board utilized Dennis Hartlzer for routine building maintenance projects
- The Board utilized Son Shine Tree Service to trim and/or cut our larger trees
- ***Provide adequate insurance coverage, as required by the bylaws and local government agencies***
 - The Association reviews its insurance needs with Whitaker-Myers Group each year to determine coverage & costs
 - The Association changed carriers for property insurance from Travelers to West Bend Mutual in September 2021 because of cost control
 - West Bend Mutual provides basically the same coverage for less cost except for a somewhat higher deductible
 - Upon request, Whitaker-Myers will provide any Unit Owner "proof of insurance" to give to Unit Owners mortgage carriers and/or their personal insurance agencies
 - The Association maintains a second policy that covers Board members, Officers and Volunteers with liability insurance with Cincinnati Insurance
- ***Inform members of important board decisions and transactions***
 - Unit Owners are informed of & invited to attend all regularly scheduled Board of Directors meetings
 - As part of meeting announcements the meeting Agenda & the monthly Treasurer's reports are emailed to Unit Owners
 - Unit Owners are informed of & invited to participate in an open budget preparation work session
 - Agendas & Minutes are posted on the Association's website, 'thegroveswooster.com'
 - These docs were posted thru Dec. 2021
 - The docs for 2022 are planned to be posted after the conclusion of the 2022 calendar year
 - Note: When posted, the names of unit owners are redacted except for members of the Board for purposes of privacy
 - Numerous 'The Groves Knows' newsletters & 'Notices' were sent electronically throughout the year to Unit Owners that included content regarding Association business
- ***See that the association is protected for the acts of all parties with fiscal responsibilities***
 - Effective July 1, 2022, the Board entered into a contract for financial services with Grace Property Services. See the GPS section for a fuller report
 - The Board has fiscal rules in place that have checks and balances procedures for the approval of contracts and the expenditures of funds
 - The Board has Fidelity Insurance covering the Board and covering loss of funds
 - The Board has Liability Insurance

- The Board requires contractors working in the Association to carry liability insurance & Worker's Compensation Insurance
- The Board requires contractors working for Unit Owners on Common Elements that have Board approval to carry liability insurance & Worker's Compensation insurance
- **Attend and participate at meetings**
 - The Board had a quorum at all of its meetings in the past 12 months
 - Unit Owners are informed of & invited to attend all regularly scheduled Board of Directors meetings
 - As part of meeting announcements the meeting Agenda & the monthly Treasurer's reports are emailed to Unit Owners
 - Unit Owners are informed of & invited to participate in an open budget preparation work session
 - The Association announces its Annual Meeting via emails & hand delivered notices to owners who do not have email
 - The meeting Agenda is sent out with the meeting announcement
 - The Annual Report is sent out with the meeting announcement
 - The 2021 Annual Meeting returned to an in-person, normal format.
 - Note: The 2020 meeting was conducted outdoors with certain Covid-19 restrictions enforced

LET'S MEET

- ❖ **Annual Meeting**-September 1, 2021
- ❖ **Executive Meeting**-September 1, 2021
- ❖ **Regular Board Meeting**-September 1, 2021
- ❖ **Special (Electronic) Board Meeting**-September 25, 2021
- ❖ **Special (Electronic) Board Meeting**-October 19, 2021
- ❖ **Regular Board Meeting**-November 3, 2021
- ❖ **Regular Board Meeting**-March 2, 2022
- ❖ **Special (Electronic) Board Meeting**-May 13, 2022
- ❖ **Regular Board Meeting**-June 1, 2022
- ❖ **Executive Board Meeting**-June 1, 2022
- ❖ **Special (Electronic) Board Meeting**-July 5, 2022

SALUT!

'Salut' is a French word used to both in saying 'hello' & 'goodbye' with acquaintances, not strangers. In the Groves, whether you're coming or going, there are no strangers, so 'salut' to the following who either moved in or moved out on the last year

- Paula, Clyde, Erin & Avery C. (404) who moved out
- Patricia & George Sprowls (404) who moved in
- Dick W. (413) who moved out
- [Rebecca Marthey & Natalie Fagert \(413\)](#) who moved in
- Don P. (428) who moved out

- Morris R. (429) who moved in
- Irene & Bob S. (437) who moved out
- Peggy & Don M. (437) who moved in
- Denise & Allen F. (450) who moved in

IN MEMORIUM-'SALUT' TO...‘Salut’, the same French word that can be used informally for both ‘hello’s’ & ‘goodbyes’ is also a word used in a toast with family & friends. The last 12 months saw too many of our neighbors who passed away. So, ‘Salut’ to our neighbors who unfortunately are no longer with us...Bob S. (437), Bill L. (444), Ron J. (448), Linda H. (450). Rest in peace...

GRACE PROPERTY SERVICES

Preface: Upon the pending departure of Clyde Crabtree, Treasurer, the Groves Board of Directors determined the best course of action for the Association was to contract out day-to-day financials that had been completed by the Treasurer to a professional organization. Below is a snapshot of Grace Property Services, the company that the Board contracted with effective July 1, 2022.

The Grace Property Services staff has over 30 years of collective experience in the association management field. Lorraine Goss founded Grace Property Services on several basic principles. The first principle is to provide respect and courtesy to all our clients, vendors and employees. The second principle is to treat each community like our home. The final principle is to give back to the local community. We have found that following these basic principles has allowed Grace Property Services to become the premier association management company in the area.

Our mission at Grace Property Services is to provide professional guidance to all our clients. To establish and maintain the quality services and knowledge necessary for the benefit of our clients, customers and vendors certain standards and objectives shall be required. As specialists in the association management field, continuing education is a requirement of all our managers. This allows us to remain current on changes in the industry and allows us to advise our boards effectively and give them the opportunity to make the best decision for your community.

The financial services being provided by GPS to The Groves COA:

- Collect monthly maintenance fees, maintain unit owner records
- Prepare financial reports including the annual budget and monthly comparisons of actual versus budget income expenses
- Manage income, including preparing checks for invoices
- Direct accountant to prepare accurate tax returns
- Collect monthly maintenance fees, maintain unit owner records

WETHERINGTON ASSOCIATION

The Villages of Wetherington Condominium Association, Inc. is the “Master Association” to the Groves. There are currently three other associations in addition to the Groves that make up the Wetherington Association: The Greens, The Commons and The Forest. The Woods, the fifth and final association in the complex, was started in 2022 with 12 units being completed on under construction. The President of the Groves, per Declarations, is a member of the Wetherington’s Board of Trustees (Directors).

AFFECTS OF COVID-19-Per the Wetherington Association Declarations the Board of Trustees (Directors) shall schedule and hold an Annual meeting of Unit Owners during the first quarter of each calendar year. In CY 2021 due to the complications attributable to the Covid-19 pandemic including restrictive guidelines issued by the State of Ohio, Wayne County and the City of Wooster, it was not possible to hold a face-to-face Annual Meeting with Unit Owners. The Wetherington Board of Trustees (Directors) considered several available options on how to conduct the business of an Annual Meeting and finally agreed to develop and distribute information for the calendar year 2021 to the residents in the form of an Annual Report.

CLUBHOUSE PROJECTS & TASKS COMPLETED DURING THE COVID-19 SHUTDOWN

- A new storage closet was built
- The 55” TV originally from the Meeting Room was installed in the recreation room
- Clubhouse walls were painted
- A fire inspection was completed
- A fire warning system directly linked to the City of Wooster fire department was installed
- A timer was installed on the door to allow control of the keyless entry system
 - The Clubhouse is closed on Wednesdays until 5:00 p.m. for cleaning
- Certain Covid-19 related safety signage was posted
- A sanitation table was purchased & placed near the entry door
- Hand dispensers were purchased & installed

- Sanitation supplies were purchased & drinking cups provided at the water cooler
- Unit Owners were notified of the opening of the Clubhouse
- Cable TV & WiFi were turned back on
- A quote for \$16,000.00 of drive repairs from Melway Paving was approved
- A new Reservation Document was drafted
- The Clubhouse was re-opened to Unit Owners on June 3, 2022
 - The letter to Unit Owners announcing the re-opening was completed by Kaman & Cusimano, LLC, attorneys for the Board

DID YOU KNOW-Larry Moses, President of the Groves Association, also serves as a Trustee & Secretary for the Wetherington Board of Trustees (Directors). Thank you, Larry!

GETTING TOGETHER

Part of a new Ohio law (SB 61) governing HOA's & COA's is a section about social activity to help promote the associations. Well, for years now, the Groves has done that without the need for a law to tell us that it's a good thing! And, although the new law will allow a Board to budget certain funds for social activities, the Groves conducts our socials the good 'ole fashion way-neighbors offer up donations! And, the Association has strengthened its tradition of 'breaking bread' at our Board meetings. Folks who eat together are folks who also like to get along. So, in the past 12 months, post the Covid-19 lock-downs, the Association held the following events:

- Pizza & desserts at the Annual Meeting (September 1, 2021)
- Groves Annual Summer Picnic (September 11, 2021)
- Pasta Sunday & Cleveland Browns watch party (October 17, 2021)
- First Annual Trick or Treat (October 30, 2021)
- Soup with the Board (November 3, 2021)
- Women's Suffrage Presentation (November 17, 2021)
- Leftover Christmas Cookie (& fruit cake!) Party (December 30, 2021)
- Pizza & desserts with the Board (March 2, 2022)
- Genealogy Workshop (March 27, 2022)
- Open air Easter Service (April 17, 2022)
- Pancake Breakfast (May 28, 2022)
- Hotdog Dinner with the Board (June 1, 2022)

Unfortunately, a planned potluck dinner had to be postponed in early 2022.

GROVES FINANCIAL REPORT

For Ohio condominium associations, Ohio Revised Code §5311.081 (A) 1, requires that unless otherwise provided in the Declaration and Bylaws, the Board of Directors must adopt and amend budgets for revenues, expenditures, and reserves in an amount adequate to repair and replace major capital items in the normal course of operations without the necessity of special assessments, provided that the amount set aside annually for reserves shall not be less than 10% of the budget for that year unless the reserve requirement is waived annually by the unit owners exercising not less than a majority of the voting power of the unit owners association.

For Ohio HOA's/COA's the standard is less specific and Ohio Revised Code §5312.06(A) (1), requires that unless otherwise provided in the Declaration and Bylaws, the Board of Directors must include reserves in any annual budget in an amount adequate to repair or replace major capital items in the normal course of operations without the necessity of special assessments, unless most of the owners waive the reserve requirement annually.

Frequently, an asked question is how a Board determines what is "adequate" and what the 10% guideline means within the condominium statute. There is no requirement in Ohio law

for an association to perform a reserve study. However, a qualified professional should perform a reserve study in order to determine the number of reserves that are needed. The findings of a reserve study will change over time based on various factors such as weather, changes in frequency of use, or significant changes in projected costs related to materials and labor. It is recommended that a 3-5-year review and update of the reserve study or asset inspections be professionally completed. The Groves Reserve Study for this report period was completed in September 2020.

The Association's Annual Meeting, per its Declarations, falls in the third quarter of the calendar year. However, the Association's fiscal year is the calendar year; so, it makes completing an annual financial report interesting. The figures below reflect a year-end report for the full fiscal year of 2021 and the first half fiscal year 2022.

OPERATING BUDGET: CY 2021 & CY 2022 (January-June)

CY 2021		<u>INCOME</u>	CY 2022 (Jan-June)	
<u>Budget</u>	<u>Actual</u>		<u>Budget</u>	<u>Actual</u>
\$124,712.00	*\$116,027.52		\$132,732.00	\$86,348.00

1) *Held some collections paid in Dec. 2021 for deposit in Jan. 2022
 2) Effective July 1, 2022 the Association contracted out financials to Grace Property Services
 3) Effective thru June 30, 2022 all monthly assessments were collected i.e. the Association had no outstanding delinquent assessments needing to be collected.

CY 2021		<u>EXPENDITURES</u>	CY 2022 (Jan-June)	
<u>Budget</u>	<u>Actual</u>		<u>Budget</u>	<u>Actual</u>
\$40,366.00	**\$47,105.50	Reserve Transfer/Exp.	\$42,139.00	\$12,139.00
\$17,472.00	\$17,472.00	Wetherington Assoc.	\$19,344.00	***\$19,344.00
\$26,300.00	****\$23,175.50	Insurance	\$25,000.00	\$14,339.60
\$5,000.00	\$5,220.79	Buildings	\$5,200.00	\$602.50
\$23,000.00	\$22,175.50	Grounds	\$23,000.00	\$11,553.93
\$10,000.00	\$9,382.64	Drives/Walks	\$11,000.00	\$10,646.75
\$2,574.00	\$1,498.00	Administrative	\$1,549.00	\$814.00
\$124,712.00	\$124,104.50	TOTALS	\$132,732.00	\$69,439.78

**The Association collected \$6748.50 of donated funds & expended \$6748.50 of donated funds for the exterior light replacement project.

***Paid Wetherington Condo Assoc. assessments in January 2022 for the entire year.

****Changed insurance carriers from Traveler's to West Bend Mutual as a cost saving measure

CAPITAL BUDGET: CY 2021 & CY 2022 (Jan-June)

CY 2021		<u>EXPENDITURES</u>	CY 2022 (Jan-June)	
\$11,600.00		Drives	\$0.00	
\$6,748.50		Patio/Garage Lights	\$0.00	
<hr/>				

CY 2021		<u>INVESTMENTS</u>	CY 2022 (Jan-June)	
\$267,644.00		All FDIC Insured	\$280,533.76	

