



Hello again, Neighbors!

This is the Summer 2016 Edition of the e-newsletter for the Villas at Andover HOA. Below is an update on the board's activities and projects.

BOARD ACTIVITIES

- 1. Landscape Maintenance for 2016:** How are we doing? If you have concerns or praises, let Gregg Slater know. The maintenance schedule is available on our website (www.villasatandover.com).
- 2. Entry stone wall repair/refurbishment:** The entry repair/refurbishment is finally completed (Yea!). This investment will ensure many more years of life for the stonework. I hope everyone likes the changes that were made.
- 3. Architectural Committee:** Lee Sims and I did our annual review of the state of properties in our community this month. Per the Covenants, the exterior of all homes and exterior landscaping must be maintained. Overall, everyone did a GREAT job of making the repairs we requested last year and keeping their homes and landscaping looking well cared for. We will, however, be contacting by letter the few owners whose properties were identified as needing attention.
- 4. Street Matters:** The board extends sincere appreciation to Councilmember Jennifer Scutchfield for her support of our request for repaving Andover Village Place. It really looks great! The parking concerns seem to have been diminished by the painting of the inner curb at the circle. Thanks go to all the folks on the north end of AVP for your continued cooperation and courtesy when you must park a car on the street.
- 5. Social Activities:** We will miss our usual 4th of July get together this year, but are planning to celebrate with a Labor Day picnic in September. Look for the flyer in August.
- 6. Mailbox woes:** We continue to have problems with the brass numbers falling off the mailboxes. There is a sticker available that could replace the current numbers. It looks like the one below and has gold numbers. The board would like to know what you think? It would be an opportunity to cut costs.

- 7. Financial Concerns:** The board is beginning to talk about the 2017 budget. As you may know, the association has posted a small deficit in each of the last several of years. Our annual expenses have grown a bit recently with the association's assumption of the costs of maintaining the resident's mail boxes. Kentucky American Water has proposed a significant rate increase effective July 2016. And we have had some significant unforeseen expenses in the last couple of years, like the replacement of the power line under the street to light the entry. Thank goodness all of our residents are up to date with their HOA fees.

However, there are still some significant capital expenditures looming in the near future. These include replacement of landscaping at the entry and on the island as well as replacement of the irrigation and lighting systems at both ends of the street as they wear out. We know these expenses are coming; we just don't know when the cost will occur.

Over the last 4 years, our HOA fees have remained constant at \$197/quarter (since April, 2012). This year our Fund Balance has fallen below the board's comfort level. We feel it is important to keep at least 3 months of operating expenses in our contingency (savings) account for future capital needs. We currently have about 2.2 months of reserves (\$5,861).

For these reasons we are considering an increase in fees for next year, beginning April 2017. We want to eliminate the annual budget deficit of about \$1,750, and begin to build our contingency account to achieve that prudent 3 months of expenses in a reserve. Here is the math:

- If we raise the fee to \$210/quarter (an annual cost increase to each owner of \$52), we will generate an additional \$1,976 per year in fee income for the association. That amount will cover the current annual shortfall and provide a little extra for other cost increases as they come along, but will not allow us to add to our reserves.
- If we raise the fee to \$220/quarter (an annual cost increase to each owner of \$92), we will generate an additional \$3,496 per year in fee income, enough to balance the budget **and** add about \$1,750 to our reserve account each year. At that rate, we will have our reserve at the required 3 month level in about 2 years, assuming we have no substantial cost increases during that time.

Let us know what you think. Our job as board members is to do what is best for the Association and its members.

REMINDERS

1. If you are planning to make updates or repairs to the exterior of your home that substantially vary from the original form, please let the architectural committee know **before** you begin the project. A form to describe the proposed changes and completion instructions are available on our website (above). If you have questions as to whether any project requires review, ask Lee Sims. We are very fortunate to have such a top-notch architect living in our community.
2. Parking is always an issue on Andover Village Place. Although we are annexed as part of the city, it is a **very narrow street**. Remember the three rules for parking on the street: don't park in front of someone else's drive; don't park directly opposite another car; and don't park in front of a mailbox during the daytime.
3. And finally, watch your speed as you drive up and down the street. School's out and we have a number of children on the street now, so please be careful as you drive and while backing out of your driveway.

Have a great summer!!

Tim Shuck, HOA President (tshuc2@windstream.net)