

**Minutes of Meeting of the Executive Board of Directors of  
Somerset Estates Homeowners Association (SEHOA)  
October 23, 2018  
Niwot Fire Station, CO**

**1. Call to order**

The meeting was called to order at 6:07 PM.

**2. Quorum**

Quorum present with Marc Arnold (MA), Paula Hemenway (PH), Susan Reilly (SR), Kip Sharp (KS). Anthony Chirikos (AC) was absent.

**3. Approval of prior meeting minutes-** The minutes from the meeting on October 9, 2018 were approved with a motion from PH, seconded by SR. The minutes from a closed session meeting on October 5, 2018 were approved with a motion from KS seconded by SR. Both passes unanimously.

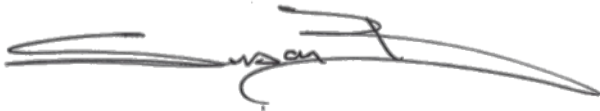
**4. 2019 Budget Review-** The draft budget for 2019 was presented, followed by discussion with the homeowners present. The total budgeted costs for SEHOA in 2019 are estimated at \$223,000, requiring dues of \$2,500 per home. After some discussion on the detailed proposals there was broad support for the proposed budget at the meeting. The following Motion was made by PH, seconded by KS and approved unanimously - **Motion to adopt the proposed 2019 budget (attached) and submit for ratification to the Members of the HOA at a meeting to be held on 27 November 2018 at 7 pm at Niwot High School.**

**5. ACC update** – there was no update at this meeting.

**6. Other Business-**There was discussion with homeowners regarding the issues under discussion with SHOA, in particular regarding cash, expenses, water rights and operations, and property matters. This meeting was being followed by a meeting with the SHOA Board, and homeowner input was sought.

**7. Next meeting – Tuesday November 13, 6.30 pm at Niwot Fire Station**

**8. Adjourn-**The meeting adjourned at 7.15 PM. motion by PH, seconded by KS.



Susan Reilly, Secretary  
November 13, 2018

## SEHOA PROPOSED 2019 BUDGET DETAIL

Account Name	2019 SEHOA Budget	Notes
<b>OPERATING INCOME</b>		
HOA Assessments (paid quarterly)	\$ 222,500	<b>\$2,500</b> per home per year
Less Assessments Prepaid in Prior Year	\$ (10,225)	Captured as Net Income below
Late Fees/Finance Charges	\$ -	Unbudgeted
Transfer Fee Income	\$ -	Pass through income
Fines and Specific Assessments	\$ -	Option under new declaration
Miscellaneous Income - Eagle Pond	\$ 1,000	
Interest	\$ 115	
<b>TOTAL OPERATING INCOME</b>	<b>\$ 213,390</b>	
<b>OPERATING EXPENSES</b>		
<b>I. Administrative</b>		
Accounting Fees	\$ 235	
Bank Fees	\$ 40	
Filing Fees	\$ 50	
Insurance	\$ 8,270	\$4,100 for added \$10 million in liability coverage
Legal and Professional Fees	\$ 10,000	Typical annual cost
Contingency for Resolution of Assets (or Reserves)	\$ 65,000	Any unused portion to go to Reserves
Meeting Expense	\$ 300	One expense for annual meeting. Use firehouse for rest
Misc. Admin and Fees	\$ 1,500	
Misc. Office Expenses & Supplies	\$ 350	
Postage and Delivery	\$ 700	Includes post office box
Printing and Reproduction	\$ 1,000	
Property Management Fee	\$ 13,000	Estimate from AI Orendorff
Property Transfer Fee	\$ -	Pass through expense
Storage	\$ 1,050	Need commercial agreement with SHOA
Web Site Hosting & Domain	\$ 720	Estimate from Marc Arnold
<b>Total Administrative</b>	<b>\$ 102,215</b>	
<b>II. Maintenance &amp; Repairs</b>		
<b>Landscape</b>		
Aeration	\$ 650	2018 estimate + 5%
Clean Up Spring/Fall	\$ 3,000	Estimate from AI Orendorff
Landscape Repair	\$ 20,000	Estimate to repair/plant dead areas
Lawn Fertilizing/Weed Control	\$ 7,000	2018 estimate + 25%
Misc. Landscape Maintenance	\$ 600	2018 estimate + 25%
Mowing (Irrigated and Non-irrigated)	\$ 16,500	Estimate from AI Orendorff
Shrub Pruning	\$ 2,250	2018 estimate + 25%
Snow Removal	\$ 2,100	2018 estimate + 5%
Trash Removal & Dump Fees - Landscape	\$ 1,500	2018 estimate + 5%. Need commercial agreement with SHOA
Tree Maintenance (Bug Control & Fertilizer)	\$ 4,000	2018 estimate + 25%
Tree Trimming/Removal/Replace	\$ 5,000	2018 estimate + 25%
Weeding Gardens	\$ 1,000	2018 estimate + 25%
<b>Sub-total Landscape</b>	<b>\$ 63,600</b>	
<b>Water</b>		
Irrigation Maintenance & Repairs	\$ 11,000	Estimate from AI Orendorff
Pump Repair & Replacement	\$ 3,000	Assumes no significant pump replacement, as in 2018
Pond Maintenance	\$ 5,000	Estimate from AI Orendorff
<b>Sub-total Water</b>	<b>\$ 19,000</b>	

## SEHOA PROPOSED 2019 BUDGET DETAIL, CONTINUED

Account Name	2019 SEHOA Budget	Notes
<b>Other</b>		
Fence Maintenance	\$ 300	Estimate from Al Orendorff
Lighting & Electrical Maintenance	\$ 2,000	Estimate from Al Orendorff
Misc. Maintenance	\$ 350	2018 estimate + 5%
Path/Sidewalk Maintenance	\$ 800	2018 estimate + 5%
Utility Locating	\$ 700	2018 estimate + 5%
<b>Sub-total Other</b>	<b>\$ 4,150</b>	
<b>Total Maintenance &amp; Repairs</b>		<b>\$ 86,750</b>
<b>III. Utilities</b>		
Electric	\$ 12,500	Includes additional \$3500 to operate waterfall
Water - Including leased	\$ 3,400	2018 estimate + 5%. Need commercial agreement with St
<b>Total Utilities</b>		<b>\$ 15,900</b>
<b>IV. Seasonal Decorations</b>		<b>2,000 \$ 1,750</b>
		Board estimate per home
<b>TOTAL OPERATING EXPENSE</b>	<b>206,615</b>	\$ 2,322
<b>NET OPERATING INCOME</b>	<b>\$ 6,775</b>	
<b>CAPITAL EXPENSES</b>		
Landscape Improvements	\$ 10,000	Development of Master Long-Term Plan
Reserves study	\$ 2,000	This estimate may be a little low
Water Improvements	\$ -	Assumes new transfer line in 2020, not 2019
Waterfall Repair	\$ 5,000	Minor repairs to operate
Other Projects	\$ -	
<b>TOTAL CAPITAL EXPENSES</b>		<b>\$ 17,000</b>
<b>TOTAL EXPENSES - OPERATING &amp; CAPITAL</b>	<b>\$ 223,615</b>	
<b>CONTRIBUTION TO RESERVES</b>		<b>\$ -</b>
		Excludes contribution to Reserves from any excess Contingency for Resolution of Assets in Administrative
<b>NET INCOME</b>	<b>\$ (10,225)</b>	Set to 2019 dues prepaid in 2018 (in balance sheet, but not 2019 income)