

**Minutes of Budget and Annual Meeting of Homeowners
Somerset Estates Homeowners Association (SEHOA)
March 29, 2022
6511 Primrose Lane, Niwot and by Zoom Conference**

1. Call to Order and Quorum

The meeting was called to order at 7:05 PM. The meeting was held in person at the home of Tim and Melissa Koller, 6511 Primrose Lane, Niwot and by video conference (Zoom). The Zoom link was provided with the Annual Meeting Notice and posted on the website. Thirteen lots were represented in person, four lots were represented in person on Zoom, and 18 lots were represented by proxy (14 naming Scott Abrahamson, two naming Allan Orendorff, one naming Marc Arnold, and one naming Paula Hemenway). The 35 lots present in person or by proxy out of 89 in Somerset Estates represents 39%, establishing a quorum of at least 20%.

2. Proof of Notice and Approval of March 16, 2021 Meeting Minutes

The Annual Meeting Notice was mailed to all Members on February 28, 2022 and signs announcing the meeting were posted in the neighborhood. The minutes of the Annual Meeting held on March 16, 2021 were included in the mailing to Members. MOTION made by Melissa Koller to approve these minutes, seconded by Anthony Chirikos, no discussion, approved unanimously by voice vote.

3. Ratification of 2022 Budget

The proposed 2022 budget as approved by the Executive Board on February 15, 2022 was mailed to all Members along with the meeting notice.

2022 Proposed Budget Summary

2022 Dues

\$2775 for year per Lot (\$675 in Q1; \$700 in Q2-Q4)

Operating Budget

Revenue	\$247,975
Less Operating Expenses	(\$157,900)
Excess of Operating Revenue over Expenses	\$90,075

Reserves Budget

Revenue	\$4,570
Less Capital Expenses	(\$198,500)
Deficiency of Reserves Revenue over Expenses	(\$193,930)

Cash Balances (Combined Accounts)

Starting Cash	\$459,864
Plus Excess of Operating Revenue over Expenses	\$90,075
Less Deficiency of Reserves Revenue over Expenses	(\$193,930)
Projected Ending Cash	\$356,009

The proposed budget was presented by Scott Abrahamson, SEHOA President. It sets the 2022 annual assessment per Lot at \$2,775 (\$675 in Q1 and \$700 in Q2-Q4). Because the proposed 2022 annual assessment is not greater than 110% of the 2021 annual assessment, the budget is ratified unless a majority of all Members (meaning 45 Members) vote to reject the budget.

MOTION to ratify the 2022 budget made by Melissa Koller, seconded by Nancy Newman, no discussion, approved unanimously by voice vote.

4. Update by Current Board

2021 Year in Review

Scott Abrahamson presented the major accomplishments over the past year. The full presentation is posted on somersetstates-hoa.com under Library >> 2022 File Downloads. The following accomplishments were highlighted:

- A final Settlement Agreement with Somerset Homeowners Association (SHOA) was executed on June 21, 2021. It splits water rights approximately 50/50, settles cash balances (\$14,125 transferred to SEHOA from 1999 water defense fund), resolves Outlot ownership, grants an easement for water transfer from SHOA to SEHOA, and establishes a cost sharing agreement on jointly used water infrastructure. This agreement does not solve all of our long-term water issues, but the transfer of title on SEHOA's share of the water rights is an important step.
- The Long-Range Plan developed in 2020 for all current common assets will continue to be updated, taking into account the \$5,000 per Lot special assessment collected in 2021 to help fund the Plan.
- Improved Common Areas:
 - Completed new transfer line and pump from Pond 1 in SHOA to Pond 2 in SEHOA, separating the irrigation systems.
 - Paved old gravel path from Longview to Primrose, including repaving feeder paths and repairing drainage swale next to main path
 - Cleaned up and refurbished landscaping around Ponds 2 and 3; removed dead trees on Outlot D.
 - Raised spruce trees next to street monuments.
 - Added dog waste stations.
 - Repaired major underground leaks in irrigation system.
- Updated HOA insurance coverage with increased property coverage limits, D&O and Fidelity coverage, and umbrella liability coverage.
- Board has initiated discussions with Boulder County about our subdivision roads, after receiving positive results from a homeowner survey on whether to consider a Public Improvement District.
- The Social and Welcome Committee held a couple of parties and distributed welcome baskets to new homeowners in 2021. They are in the process of putting together a neighborhood Directory.
- The main goal of the Architectural Control Committee (ACC) is to maintain and improve the value of homeowner property in Somerset Estates. Work in 2021 included:
 - Approved 17 project requests, most relating to exterior home improvements, including a new home build on the last vacant lot.
 - Continued the maintenance compliance program to maintain strong curb appeal with pruned vegetation and well-maintained yards and structures; next walk-through will be in spring – homeowners are encouraged to cut back trees and shrubs near fences and walkways.
 - Continued mediation process for voluntary re-opening of mountain views to ensure long-term value to homeowners while balancing reasonable privacy needs of neighbors.

Comments/questions from homeowners:

- Dave Fjeldstad wanted to know when the repairs would be completed next to the path by Pond 2. Allan Orendorff, Property Manager, said the repairs were scheduled and would be completed soon.
- Mark Kubik asked whether the leftover spools and piping from the transfer line project could be cleared from near the road leading up to the Left Hand Water tank. Allan Orendorff will take care of this.

- Marc Arnold commented that he's thrilled to see the transfer line work completed so that we can move water from Pond 1 in SHOA to Pond 2 at a higher rate. He also inquired about rules relating to housing refugees. The Board will investigate.
- Heather Withnell asked about wildfire prevention information. This will be addressed in the What's Up newsletter.

5. Statements from Candidates for the Board and Candidate Q&A

SEHOA's five Executive Board members serve staggered terms, so each year there are either two or three vacancies. The terms of Scott Abrahamson and Herb McPherson came to an end as of this meeting. The terms of Paula Hemenway, Pea Lawson, and Steve Lehan extend another year, ending in March 2023. Scott Abrahamson and Anthony Chirikos previously agreed to be candidates for election. Each presented a brief summary of their background and reasons they are interested in serving on the Board. Members expressed appreciation for their willingness to serve. No questions were asked. As explained in the meeting notice, any additional candidates needed to state their interest no later than March 22, as it is difficult to take nominations from the floor during a Zoom meeting as a contested election requires a vote by secret ballot. No additional candidates came forward by that date or at the meeting.

6. Executive Board Election

Because the Board election was non-contested, a secret ballot was not required. MOTION to elect slate of Scott Abrahamson and Anthony Chirikos for two-year terms ending March 2024 made by Melissa Koller, seconded by Nancy Newman, no further discussion, approved unanimously by voice vote.

7. Member Open Forum

No further discussion. Scott Abrahamson thanked Herb McPherson for his time serving on the Board and Tim and Melissa Koller for hosting the meeting.

The meeting was adjourned at 8:15 PM.

Paula Hemenway
SEHOA Secretary
May 4, 2022