



March 27, 2025 Budget and Annual Meetings Information

March 3, 2025

Dear Somerset Estates Homeowner,

You are cordially invited to attend the seventh Budget and Annual Meetings of the Somerset Estates Homeowners Association (SEHOA) on Thursday, March 27. The meeting will be held at the Niwot Inn, 342 2nd Ave, Niwot and will start with a social and sign-in time at 6:30 PM, with the business meeting starting at 7 PM. **A quorum of 20% of Members is required to conduct business at this meeting,** so please either attend **or submit a proxy.** Although the meeting will be available on Zoom, the SEHOA Bylaws do not allow for electronic attendance. If you are unsure if you will attend the meeting in person, we ask that you submit the proxy form in advance as you may still revoke your proxy if you decide to attend. If your property has more than one owner, **only one needs to attend in person or sign the proxy form.**

To provide a proxy: Please return the enclosed proxy form by emailing a scan or photo to info@somersetestates-hoa.com, giving it to the person you chose as your proxy representative, or mailing it to P.O. Box 621, Niwot CO 80544 so that it is received by March 26 at 3 PM. **A stamped envelope is enclosed for your convenience.**

If you want to listen to the meeting by Zoom: The log-in is Meeting ID: 972 7353 6363 and Passcode: 113066. As listening to the meeting on Zoom doesn't constitute attendance, please also submit the proxy form. **Please be sure that your proxy designee will be at the meeting in person.**

This letter constitutes the notice requirement of the Bylaws. The main purposes of the meeting are to ratify the 2025 budget and to elect three directors for two-year terms on the Executive Board. We will also present an update on our current status and plans for the year ahead.

Order of Meeting

- Social Time (starting at 6:30 PM)
- Budget Meeting (starting at 7 PM)
 - Ratification of 2025 Budget (enclosed)
- Business Meeting
 - Approval of Minutes from March 26, 2024 Annual Meeting (enclosed)
 - Update by Current Board
 - Statements from Candidates for the Board
 - Candidate Q&A
 - Executive Board Election
 - Member Open Forum

Please note that only Members that are no more than 30 days late in the payment of assessments and are otherwise in good standing are entitled to vote. Please contact our property manager, Allan

Orendorff, at TrioProperty@comcast.net if you are unsure whether you are current in your payments through the January 1, 2025 invoice.

2025 Proposed Budget

At the Executive Board meeting on February 18, 2025, the Board passed a resolution to adopt the enclosed 2025 Proposed Budget. **The proposed budget sets the quarterly assessment at \$900/qtr starting on April 1, 2025.** As the 2025 annual assessment of \$3,525 (\$825 in the first quarter and \$900 for the next three quarters) is not greater than 110% of the 2024 annual assessment of \$3,225, the budget shall be deemed ratified unless at the meeting a majority of all Members (meaning 45 Members) vote to reject the budget. The budget ratification vote will be held by show of hands.

Please note that if the proposed dues increase of \$75/qtr is ratified, it will go into effect for the April 1, 2025 payment that is due shortly after the meeting. Please revise any automatic payments accordingly. **If you are not yet set up with AppFolio online payments administered by our property manager, please contact him at TrioProperty@comcast.net.**

We consider budgeted expenses in two parts – “Operating” (occur annually and predictably) and “Capital” (larger projects that occur infrequently). The detailed proposed 2025 budget and final results for 2024 are enclosed, with a summary below.

2025 Proposed Budget Summary

2025 Dues	
\$3,525 for year per Lot	(\$825 in Q1; \$900 in Q2-Q4)
REVENUE	\$315,725
Operating Expenses	
Administrative	(\$58,265)
Landscape Maintenance	(\$74,400)
Water Infrastructure Maintenance	(\$56,000)
Other Infrastructure Maintenance	(\$9,100)
Electricity and Water Fees	(\$19,500)
TOTAL OPERATING EXPENSES	(\$217,265)
Capital Expenses	
Landscape Capital Projects	(\$120,900)
Water Infrastructure Capital Projects	(\$165,220)
Other Infrastructure Capital Projects	(\$17,800)
TOTAL CAPITAL EXPENSES	(\$303,920)
Interest Income	\$10,000
NET INCOME	(\$195,460)
Starting Cash (Checking and Reserves)	\$408,096
Less NET INCOME	(\$195,460)
Projected Ending Cash	\$212,636

Election of Executive Board Members

SEHOA's five Executive Board members serve staggered two-year terms, so each year there are either two or three vacancies. The terms of Paula Hemenway, Steve Lehan, and a vacant seat (previously held by Tim Koller) come to an end as of this meeting, so **there are three seats up for election this year**. (The terms of Jon Gillespie-Brown and Anthony Chirikos extend for another year, ending in March 2026.)

Six Members have submitted their nominations to serve on the Board: Astrid Kirschenbaum, Lisa Smith, Steve Flannery, Ron Budacz, Herb McPherson, and Mike Stears. Candidate statements from each are enclosed. **Because more than three Members are candidates for the three open positions** (a "contested election"), the election will be held by secret ballot.

A lot has happened during the last year. We look forward to sharing our progress and plans. We hope that you will attend the meeting.

Your Somerset Estates Homeowners Association Executive Board

Jon Gillespie-Brown, President

Anthony Chirikos, Treasurer

Steve Lehan, Vice President

Paula Hemenway, Secretary

Annual Notice to All Members of the Somerset Estates Homeowners Association

- **NAME OF ASSOCIATION:** The Somerset Estates Homeowners Association, Inc., a Colorado Nonprofit corporation.
- **ASSOCIATION'S DESIGNATED AGENT:** Trio Property Management – Allan Orendorff
- **MAILING ADDRESS:** P.O. Box 208, Niwot, CO 80544
- **TELEPHONE AND FAX NUMBER:** Phone: Office (303) 415-2054 – Mobile (303) 517-8486 – Fax (303) 652-2161
- **EMAIL ADDRESS:** TrioProperty@comcast.net
- **NAME OF COMMON INTEREST COMMUNITY:** Somerset Estates
- **RECORDING INFORMATION OF DECLARATION OF COVENANTS:** Recording No. 03671599 on August 16, 2018.

Executive Board Candidate Information

As stated in the Bylaws for the Somerset Estates Homeowners Association (available on somersetestates-hoa.com under Library >> Governing Documents), Directors will be elected for **three** Executive Board positions at the Annual Meeting on March 27, 2025 (or any adjourned session thereof). Directors are elected for two-year terms. The Directors will elect officers: President, Vice President, Secretary, and Treasurer. As we have six candidates (a contested election), the voting will be done by secret ballot. (Candidates listed in order statements were received.)

Astrid Kirschenbaum - Hello! I live on Daylilly Court with my husband Julian, four children, and Bernedoodle. I have been in the Boulder area for 11 years and plan to remain here until our little ones are grown. I am an artist and yogini who holds the pleasant town of Niwot, our friendly Somerset cul-de sac, and my comfortable home in high esteem. I deeply value Neighborhood and Community, which — along with my creativity and industriousness — are the assets I will bring to the HOA board. I am experienced in custom home building and real estate projects. Steeped in a real estate family, I have comprehensive insight into the requirements of homeowners, sellers, and buyers. I will bring an open-minded, streamlined approach to Somerset Estates. I also have over a decade of prior HOA experience in Colorado and have attended all annual Somerset Estates HOA annual meetings since my arrival. I am known for my impeccable attendance and punctuality, superb listening and note-taking skills, and strong organizational abilities. If I am elected to the board, I am willing to take on the position of Secretary.

Lisa Smith - My name is Lisa Smith, and my family and I have proudly called Somerset Estates home for the past four years. My husband Kelley and I have three children (ages 7, 5, and 3), and we also have two beloved dogs who keep our household lively. Originally from Northern California, I moved to Colorado in 2003 to attend CU Boulder, and I've fallen in love with the state and all it has to offer ever since. Professionally, I work in technology sales, where I leverage my experience in building relationships, problem-solving, and driving results. I believe my background in sales has provided me with a strong understanding of effective communication and collaboration—skills I'm eager to apply to help our HOA thrive. As a member of the board, I'm committed to working together with all my neighbors to ensure that our community continues to be a place where families can grow, feel safe, and enjoy all that this beautiful neighborhood has to offer. I will bring a fresh, unbiased perspective, and will be open-minded to all decisions our community has to make. Thank you for considering me for this opportunity. I look forward to contributing positively to Somerset Estates!

Steve Flannery - I was born and educated in California where I entered my career as a High Tech Entrepreneurial building and leading several High Tech start-up companies along with growing a family. What I learned as a CEO is how to bring a real focus to the Customer. After 28 years in Somerset and a stint with the ACC, I am always motivated to giving-back to a community that has given our family a real home in Colorado. In this case, for the Board, I would enjoy bringing a new level of transparency among the Board and its customers, the Homeowners. To do this, I would like to work with Jon and others to implement clear two-way communication with our homeowners on their issues at hand, stay transparent on the basic facts that underlie the issues, and most importantly deliver a set of alternatives to solve any issue that the homeowners can then vote to set the direction, not the Board. Without this, issues like security and ponds will always be difficult to resolve.

Ron Budacz - My purpose in joining the SEHOA Board is to enhance the value of all 89 homes in Somerset Estates through community differentiation and asset optimization. Additionally, I aim to elevate the level of safety and security to address the rising trend of home invasions in metropolitan Denver that have reached our community. My background is: Founder and CEO of a multibillion-dollar global conglomerate in the hardware electronics supply chain; Former Inspector General in the US Army, responsible for investigating fraud, waste, and abuse; Founding member and chair of Partnership 2000, a consortium of business, academic, and civic leaders to revitalize an Upstate New York county of 250,000 residents; Past President of the Somerset HOA and other communities in foreign countries; Managing Partner of the recently completed community of Goldbranch, where property values have doubled, and where security was integrated in its design; Led charities to educate and protect underprivileged children in impoverished areas of Antigua and Mexico. My wife, Grace, and I have been Colorado taxpayers for more than 30 years and long term dedicated residents of Somerset Estates, and it serves as headquarters for our daughters' families, including four grandchildren. Hobbies and interests include faith, family, distance swimming, physical fitness, golf, and giving back.

Herb McPherson - I received a BS from the U of I and an MBA from Pepperdine. My wife, Shalia, and I wanted to raise our family in Colorado, so we built our 'forever home' in Somerset in 1996. Our three children all graduated from Niwot High School. I worked as an executive in the Fiduciary Services industry for 50 years, retiring in 2023. I've previously served on the Niwot High School Education Foundation board, as well as the SHOA, SS&TC and SEHOA board(s) – always as Treasurer. I'm intimately familiar with our historic and current financial condition, revenues, expenses, budgeting, bank and investment accounts. I know our Property Manager, Attorney and most of the Subcontractors we use. In addition, I understand our water rights and sources as well as the irrigation system design and operation. Finally, I am familiar with 'CCIOA', as well as all our governing documents (Declarations, Articles, By-Laws, etc). If elected, my priorities will be: Enhanced safety & security year-round; Ongoing repair & maintenance of critical infrastructure; Well maintained common area grass/landscaping, especially areas of high traffic/visibility; Prudent expenditure of funds on the outstanding projects approved in the 2021 Special Assessment.

Mike Stears – After receiving my BSME from Montana State University, I moved to the Boulder area in 1979 where Marie and I have remained. In 1995 we established our home with our two boys in Somerset. After retirement from high-tech, I have focused on “giving back” through several volunteer positions including President of Colorado Youth Lacrosse Association for 12 years. I served on the Montana State University College of Engineering Alumni Board for 8 years and was a recipient of the MSU Alumni Achievement Award. This community was built with a solid plan for sustainability and continuity. It was designed as a premier community that included well maintained common areas, beautiful landscaping and water features that set it apart from any other subdivision in Boulder County. Through the years, deferred maintenance has left the infrastructure in need of repairs, updates and improvements. If elected I would support enhanced security and safety for our community; continual upkeep, repair and improvement of our common areas and prudent budgeting to ensure our dues and reserve funds are being directed toward projects that will maintain Somerset as a premier community. As a board member, I would endeavor to seek out and include the view points and opinions of ALL homeowners in Somerset in an effort to encourage transparency and inclusivity to the decisions of the SEHOA Board. This will result in increased property values and allow all residents to feel safe and proud to live in Somerset.

Somerset Estates Homeowners Association				
2024 YEAR-END TOTALS AND 2025 PROPOSED BUDGET				
COMBINED OPERATING AND CAPITAL EXPENSES				
	2024	2024	2024	Proposed
	Year Totals	Annual	Better (Worse)	2025
	ACTUALS	BUDGET	VARIANCE	BUDGET
REVENUE and EXPENSE SUMMARY				
<u>OPERATING REVENUE</u>				
HOA Dues	\$ 292,275	\$ 292,975	\$ (700)	\$ 313,725
Other Revenue (Late fees, fines, misc, special assessment, etc)	\$ 11,370	\$ 10,000	\$ 1,370	\$ 2,000
TOTAL OPERATING REVENUE	\$ 303,645	\$ 302,975	\$ 670	\$ 315,725
<u>OPERATING EXPENSES</u>				
Administrative				
Accounting Fees	\$ 458	\$ 300	\$ (158)	\$ 500
Bank Charges & Fees	\$ 127	\$ 100	\$ (27)	\$ 140
Business Filing Fees	\$ 44	\$ 50	\$ 6	\$ 50
Insurance	\$ 10,078	\$ 9,500	\$ (578)	\$ 11,000
Legal	\$ 35	\$ 1,000	\$ 965	\$ 10,000
Legal - other (water)	\$ -	\$ -	\$ -	\$ -
Meeting Expense	\$ 118	\$ 100	\$ (18)	\$ 100
Miscellaneous	\$ 300	\$ 300	\$ -	\$ 300
Office Expense & Supplies	\$ 34	\$ 100	\$ 66	\$ 100
Postage & Delivery	\$ 623	\$ 600	\$ (23)	\$ 650
Printing & Reproduction	\$ 723	\$ 900	\$ 177	\$ 800
Professional Fees	\$ 10,782	\$ -	\$ (10,782)	\$ 7,510
Property Manager Fees	\$ 16,450	\$ 16,500	\$ 50	\$ 17,100
Property Transfer Fee	\$ 600	\$ -	\$ (600)	\$ -
Storage	\$ 1,463	\$ 1,500	\$ 37	\$ 1,500
Taxes	\$ 2,136	\$ 3,400	\$ 1,264	\$ 5,115
Web-site Hosting/Domain/Cloud Storage	\$ 3,104	\$ 3,100	\$ (4)	\$ 3,400
Total Administrative	\$ 47,075	\$ 37,450	\$ (9,625)	\$ 58,265
Landscape Maintenance				
Aeration	\$ 646	\$ 650	\$ 4	\$ 680
Clean-up Spring/Fall	\$ 3,725	\$ 4,100	\$ 375	\$ 3,790
Holiday Decoration	\$ 2,400	\$ 3,200	\$ 800	\$ 2,500
Lawn Fertilization/Weed Control	\$ 11,297	\$ 9,100	\$ (2,197)	\$ 11,300
Miscellaneous Landscape	\$ 2,220	\$ 2,000	\$ (220)	\$ 2,000
Mowing - Irrigated	\$ 20,274	\$ 20,000	\$ (274)	\$ 21,400
Mowing - Non-irrigated	\$ 2,310	\$ 2,310	\$ -	\$ 2,430
Shrub Pruning	\$ 725	\$ 4,000	\$ 3,275	\$ 2,000
Snow Removal	\$ 5,597	\$ 6,400	\$ 803	\$ 6,400
Trash Removal & Dump Fees	\$ 2,903	\$ 3,100	\$ 197	\$ 3,100
Tree Maintenance (Fertilizer & Bug Control)	\$ 620	\$ 800	\$ 180	\$ 800
Tree Trimming and Removal	\$ 15,519	\$ 12,000	\$ (3,519)	\$ 10,000
Gardens/Flowers	\$ 4,720	\$ 5,000	\$ 280	\$ 5,000
Weeding Gardens	\$ 3,021	\$ 2,500	\$ (521)	\$ 3,000
Total Landscape Maintenance	\$ 75,977	\$ 75,160	\$ (817)	\$ 74,400
Water Infrastructure Maintenance				
Irrigation Maintenance and Repair	\$ 37,223	\$ 30,000	\$ (7,223)	\$ 40,000
Pond and Waterfall Maintenance	\$ 9,355	\$ 15,000	\$ 5,645	\$ 15,000
Pump Maintenance	\$ -	\$ 1,000	\$ 1,000	\$ 1,000
Total Water Infrastructure Maintenance	\$ 46,578	\$ 46,000	\$ (578)	\$ 56,000
Other Infrastructure Maintenance				
Electrical/Light Maintenance	\$ 1,267	\$ 8,000	\$ 6,733	\$ 2,000
Fence Maintenance	\$ 927	\$ 1,500	\$ 573	\$ 1,000
Miscellaneous Maintenance	\$ 2,888	\$ 200	\$ (2,688)	\$ 2,000
Path/Sidewalk Maintenance	\$ 5,918	\$ 1,500	\$ (4,418)	\$ 3,000
Utility Locating	\$ 1,040	\$ 1,000	\$ (40)	\$ 1,100
Total Other Infrastructure Maintenance	\$ 12,040	\$ 12,200	\$ 160	\$ 9,100
Electricity and Water Fees				
Electricity	\$ 15,161	\$ 18,000	\$ 2,839	\$ 16,500
Water - Ditch fees and Leased	\$ 2,808	\$ 3,000	\$ 192	\$ 3,000
Total Electricity and Water Fees	\$ 17,969	\$ 21,000	\$ 3,031	\$ 19,500
TOTAL OPERATING EXPENSES	\$ 199,639	\$ 191,810	\$ (7,829)	\$ 217,265
EXCESS (DEFICIENCY) OF REVENUE OVER OPERATING EXPENSES	\$ 104,006	\$ 111,165	\$ 8,499	\$ 98,460

	2024	2024	2024	Proposed
	Year Totals	Annual	Better (Worse)	2025
	ACTUALS	BUDGET	VARIANCE	BUDGET
CAPITAL EXPENSES				
Water Infrastructure and Features Capital Projects				
Upgrades to ditches and meters from ditches	\$ -	\$ 3,500	\$ 3,500	\$ 3,500
Pond liner replacement - Pond 1	\$ 3,700	\$ 3,700	\$ -	\$ -
Pond 3 Rebuild	\$ -	\$ 100,000	\$ 100,000	\$ 126,720
Pond Major Repairs	\$ 60,516	\$ 40,000	\$ (20,516)	\$ -
Pump replacement	\$ -	\$ 16,000	\$ 16,000	\$ 35,000
Total Water Infrastructure Capital Projects	\$ 64,216	\$ 163,200	\$ 98,984	\$ 165,220
Hardscape Capital Projects (Fences, Paths, Monuments, Lighting)				
Path Replacement	\$ -	\$ -	\$ -	\$ 2,800
Major repairs of street monuments	\$ -	\$ 3,000	\$ 3,000	\$ 3,000
Modifications of entrance monuments	\$ 13,010	\$ 10,000	\$ (3,010)	\$ -
Lighting at Hwy 52 plus other lighting	\$ 17,843	\$ 33,000	\$ 15,157	\$ 12,000
Total Hardscape Capital Projects	\$ 30,853	\$ 33,000	\$ 15,157	\$ 17,800
Softscape Capital Projects (Design, Trees, Vegetation)				
Specific Location Landscape Plan	\$ 2,391	\$ 7,800	\$ 5,409	\$ 9,000
Landscape at Outlot D				\$ 31,900
Landscape at Hwy 52	\$ -	\$ 40,000	\$ 40,000	\$ 75,000
Cyclical Landscape Refurbishment	\$ -	\$ 5,000	\$ 5,000	\$ 5,000
Total Softscape Capital Projects	\$ 2,391	\$ 52,800	\$ 50,409	\$ 120,900
TOTAL CAPITAL EXPENSES	\$ 97,460	\$ 249,000	\$ 164,550	\$ 303,920
INTEREST INCOME				
Interest Income	\$ 14,870	\$ 10,000	\$ 4,870	\$ 10,000
Other Income	\$ 402	\$ -	\$ 402	\$ -
TOTAL REVENUE	\$ 318,917	\$ 312,975	\$ 5,942	\$ 325,725
TOTAL EXPENSE	\$ 297,099	\$ 440,810	\$ 143,711	\$ 521,185
NET INCOME	\$ 21,818	\$ (127,835)	\$ (149,653)	\$ (195,460)
Revenue ex-Interest	\$ 303,645	\$ 302,975	\$ 670	\$ 315,725
Expenses	\$ 297,099	\$ 440,810	\$ 143,711	\$ 521,185
Cash Generation (Drain) Before Interest	\$ 6,546	\$ (137,835)	\$ (143,041)	\$ (205,460)