

**Minutes of Meeting of the Executive Board of
Somerset Estates Homeowners Association (SEHOA)
October 15, 2024
Via Zoom**

1. **Call to Order and Quorum** - The meeting was called to order by Vice President Steve Lehan at 6:30 PM. Quorum met for Executive Board meeting with Anthony Chirikos (AC), Jon Gillespie-Brown (JGB), Paula Hemenway (PH), and Steve Lehan (SL) present.

Property Manager present – Al Orendorff (AO)

Homeowners present – Larry Becker, Ron Budacz, Andrew Fowler, Candice Hoenes, Kate Harris, Marcos Lawson, James Macintosh, Herb and Shalia McPherson, Kip Sharp, Bob Uhler,

2. **Approve Prior Meeting Minutes** – Draft minutes for the September meeting were published prior to this meeting. MOTION to approve the minutes from the meeting of the Executive Board on September 24, 2024 made by SL, seconded by JGB, no further discussion, approved unanimously.
3. **Board Member Resignation and Officer Election** – SL reported that Tim Koller has resigned from the Board. MOTION to elect Jon Gillespie-Brown as President of the Executive Board made by SL, seconded by PH, no further discussion, approved unanimously. The board thanked Tim for his work and expressed appreciation to Jon for stepping in as President.
4. **Treasurer's Report** – Report for September 2024 is attached. We moved \$10,000 at the end of September from reserves account to operating account to cover cash flow needs. We have four homeowner accounts that are more than 90 days delinquent, which will be discussed in executive session.
5. **Easement Ponds Special Committee Update and Consent to Funding** – SL reported that the committee had its kick-off meeting on October 1 and will meet again on October 20. SL was named as chair by the committee. The committee expects to engage an engineering expert and an attorney. MOTION to pre-approve funding for these professionals up to \$5,000 made by SL, seconded by JGB, no further discussion, approved unanimously.

6. **Property Manager's Report**

Irrigation: GTL has three more repairs to do (one by the pool and two at Snowberry) before blowing out the irrigation system for the season the first week of November. Time permitting, they will replace the root-pinched irrigation line at Cherry.

Ponds and waterfalls: Pond 2 still has a leak or leaks. We are still watering the flowers at the waterfall out of pond 2, so that is affecting our measurements of the remaining leaks. Once we stop watering the flowers (probably the first week in November) we'll see where the level settles to determine how far down the pond the main leak is. Pond 3 level has dropped significantly as it did last year. Ponds 8 and 9 are down slightly and attributed to evaporation. Pond 10 is down about 20 inches, and we know the waterfall between ponds 10 and 9 also leaks. Pond 7 is leaking somewhat and will be monitored.

Other: SavATree will do a second treatment for Japanese beetles in early 2025. GTL will paint the sign frames of the street monuments when time is available. GTL is preparing a bid for the drainage issue at the corner of Longview and Bellflower. They initially thought they would need to add a drain pan but now believe they just need to adjust the drain swales on each side of the road. We received the final expenses from SHOA to finish the landscape repair around pond 1. The total to close out this item was \$3,689.09, which was approved previously. The SHOA provided a bill for the 2024 split services of \$741.25. All we have left to settle is the water usage by each HOA. GTL is checking the meters and will create a final report.

RSL provided the attached maintenance contract for 2025 and 2026. They removed shrub pruning and pond plant pruning as fixed charges as changes have been made and it was unclear what we need them to do. Any such work can be done time and materials. MOTION to approve RSL contract for 25/26 made by JGB, seconded by PH, discussion that costs for the same line items as in the 23/24 contract increased around 5-6%, which is reasonable over two years, no further discussion, approved unanimously.

7. **Policy Amendments** – PH is working on amendments to the Collection Policy to comply with HB24-1233 and HB24-1337, the Conduct of Meeting Policy to include references to meetings held electronically, and to the Inspection and Copying of Records Policy to be consistent with CCIOA. Drafts will be circulated to the Board, then to all homeowners after the November board meeting, with board approval expected at the December board meeting.
8. **Other Business** –None.
9. **Member Open Forum** – Ron Budacz asked about timing to repair leaks in pond 10. AO said that we need more information about the leaks and costs so the board can make a decision. He asked about the timing on the release to the overall membership of a document that was circulated to the Easement Ponds Special Committee. SL replied that no date has been set but it would not be appropriate to distribute right now. PH said that CCIOA allows a committee to have confidential documents.

Herb McPherson asked about a couple of minor edits and revisions to the Easement Ponds Special Committee charter. JCG said that any revisions will be posted on the website with a date and version number. He asked about a records request made to Tim Koller and AO on July 2 and July 11 relating to documents provided to Asher Engineers and Architects. JCG requested that he resend the request to AO. Herb asked if we had advice from counsel on whether there a need to announce to realtors or insurance carriers about the Easement Ponds Special Committee and that the committee is looking into making recommendations on the future of these ponds. The board agreed to provide the response to this question from Scott Osgood in these minutes (summarized but not read at the meeting), as follows: *“The Association has no obligation to broadcast its internal affairs. It is a very typical process for a buyer to ask for information (or require a seller to provide information) about an HOA, including articles of incorporation, bylaws, declaration of covenants, minutes of HOA meetings, newsletters, etc. The Association should continue to supply that information as usual. A review of the minutes, and maybe the newsletter, is going to alert a potential buyer to the fact that there is some issue with the pond liners and that a committee has been formed to look into the issues concerning the ponds. That is sufficient. You do not need to make any effort to educate buyers or their brokers. You just need to make the usual information available when asked. Anything more than that would be speculation, because none of us knows what is going to happen in the future.”*

James Macintosh asked about the board resignation and what that means for the board. JCG suggested that he speak directly to Tim Koller. At this time, the board expects to leave the board position open until the next annual meeting in March 2025.

Ron Budacz asked if we had advice from counsel on the question of under what circumstances, if any, should SEHOA have to disclose in its financial statements or elsewhere that the homeowners have a potential liability with respect to road maintenance. The board agreed to provide the response to this question from Scott Osgood in these minutes (summarized but not read at the meeting), as follows: *“You likewise have no duty to disclose the fact Boulder County is refusing to maintain public roads. All one has to do is drive around the county to realize that it does a crappy job of road maintenance, even when the roads are not inside*

subdivisions. A buyer doing due diligence will learn that the roads are public, and thus not privately maintained. The association is not soliciting buyers to buy something from it, and you have no obligation to publish a prospectus. There is no unfunded liability and you are not a publicly traded business with stockholders.”

Next meeting – November 19, 2024, at 6:30 PM, via Zoom

10. Adjourn - The meeting adjourned at 7:02 PM.



Paula Hemenway, Secretary
October 17, 2024

An executive session was called at 7:03 PM to discuss delinquent accounts as allowed by CCIOA 38-33.3-308(e) and to review and discuss communication from legal counsel as allowed by CCIOA 38-33.3-308(f). The executive session was adjourned at 7:43 PM.

Somerset Estates Homeowners Association - Treasurer's Report						
Operating and Reserve Fund(s)						
Balance Sheet and Summary Income Statement						
September 2024						
BALANCE SHEET						
As of September 30, 2024						
	Operating Fund	Reserve Fund	Total			
ASSETS						
Operating/Checking Account						
FirstBank	\$33,520	\$0	\$33,520	\$9,826	Change since last month	
Investment/Reserve Account				Expiry	Interest Rate	Reporting Freq
Liquid Assets Account	\$0	\$77,255	\$77,255	n.a.	Varies (0-2.5%)	Monthly
6-Month CD	\$0	\$298,976	\$298,976	12/25/24	4.64%	Half Year
Total Reserve Accounts	\$0	\$376,231	\$376,231			
TOTAL ASSETS	\$33,520	\$376,231	\$409,750			
LIABILITIES & FUND BALANCE						
Fund Balance	\$33,520	\$376,231	\$409,750			
TOTAL LIABILITIES & FUND BALANCE	\$33,520	\$376,231	\$409,750			
Statement of Revenues, Expenses, and Changes in Reserve Balance						
	Month of September, 2024			YTD September, 2024		
	Operating Fund	Reserve Fund	Total	Operating Fund	Reserve Fund	Total
REVENUES						
HOA Dues	\$1,335	\$0	\$1,335	\$217,150	\$0	\$217,150
HOA Violations & Fines / Late Fees	\$0	\$0	\$0	\$10,397	\$0	\$10,397
Transfer Fees	\$0	\$0	\$0	\$600	\$0	\$600
Miscellaneous Income (Pond 7 Surcharges)	\$0	\$0	\$0	\$0	\$0	\$0
Interest Income	\$0	\$73	\$73	\$0	\$8,120	\$8,120
TOTAL REVENUES	\$1,335	\$73	\$1,408	\$228,147	\$8,120	\$236,268
EXPENSES						
Administrative	\$2,072	\$0	\$2,072	\$29,229	\$0	\$29,229
Landscape Maintenance	\$7,428	\$0	\$7,428	\$60,014	\$0	\$60,014
Water Infrastructure Maintenance	\$3,059	\$0	\$3,059	\$26,943	\$0	\$26,943
Other Infrastructure Maintenance	\$390	\$0	\$390	\$11,605	\$0	\$11,605
Utilities - Electric	\$3,655	\$0	\$3,655	\$10,515	\$0	\$10,515
Utilities - Water	\$155	\$0	\$155	\$2,808	\$0	\$2,808
Landscape Capital Projects	\$0	\$0	\$0	\$0	\$879	\$879
Water Infrastructure Capital Projects	\$0	\$0	\$0	\$0	\$60,527	\$60,527
Other Infrastructure Capital Projects	\$0	\$12,627	\$12,627	\$0	\$20,847	\$20,847
TOTAL EXPENSES	\$16,759	\$12,627	\$29,386	\$141,115	\$82,252	\$223,367
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(\$15,424)	(\$12,554)	(\$27,978)	\$87,033	(\$74,132)	\$12,901
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TRANSFER BETWEEN OPERATING FUND and RESERVE FUND	\$10,000	(\$10,000)	\$0	\$10,000	(\$10,000)	\$0

Somerset Estates Homeowners Association - Treasurer's Report					
Total Funds					
Income Statement					
September 2024					
	Month	Year-to-Date			Approved
	Actual	Actual	Budget	Better/ (Worse)	Budget
					2024
REVENUE and EXPENSE SUMMARY					
REVENUE					
HOA Dues	\$1,335	\$217,150	\$219,125	(\$1,975)	\$292,975
HOA Violations, Fines and Late Fees	\$0	\$10,397	\$10,000	\$397	\$10,000
Transfer Fees	\$0	\$600	\$0	\$600	\$0
Interest Income	\$73	\$8,120	\$7,500	\$620	\$10,000
TOTAL REVENUES	\$1,408	\$236,268	\$236,625	(\$357)	\$312,975
EXPENSES					
Administrative	\$2,072	\$29,229	\$31,989	\$2,760	\$37,450
Capital Expenses	\$12,627	\$82,252	\$106,000	\$23,748	\$262,000
Landscape Maintenance	\$7,428	\$60,014	\$58,815	(\$1,199)	\$75,160
Water Infrastructure Maintenance	\$3,059	\$26,943	\$36,455	\$9,512	\$46,000
Other Infrastructure Maintenance	\$390	\$11,605	\$11,695	\$90	\$12,200
Utilities - Electric	\$3,655	\$10,515	\$9,100	(\$1,415)	\$18,000
Utilities - Water	\$155	\$2,808	\$3,000	\$192	\$3,000
TOTAL EXPENSES	\$29,386	\$223,367	\$257,054	\$33,687	\$453,810
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(\$27,978)	\$12,901	(\$20,429)	\$33,330	(\$140,835)
Outstanding Dues and Fines					
	<u>0 - 30 Days</u>	<u>30 - 60 Days</u>	<u>60 - 90 Days</u>	<u>Over 90 Days</u>	<u>Total</u>
Dollars	\$84	\$9	\$0	\$2,686	\$2,779
# of Homes	2	2	0	4	4



3686 Stagecoach Rd. North, Unit A
Longmont, CO 80504
O: 303.772.4736
F: 303.772.6568
RSLINC.NET

Date: 9-19-22
Subject: Contract Lawn maintenance for Somerset Estates HOA.

LAWN MAINTENANCE TO INCLUDE:

- See included **Exhibit A** for services provided under this contract.
- We can maintain landscape for: **\$27,791.00 (see Exhibit A) per year**

TERMS OF CONTRACT

- Contract term will be from January 1st 2025 to December 31st 2026.
- Contract will be paid for services provided in the month the services are completed.
- All extra work will be billed in detail on a monthly basis.

CONTRACTUAL AGREEMENTS

- Extra work will be billed @ \$50/hour/man or a separate bid will be provided for requested work
- RSL OUTDOOR carries all necessary auto, worker's compensation, and general liability insurance in the amount not less than \$1,000,000. Proof of insurance provided upon request.
- RSL OUTDOOR will assume all responsibility to any damage of property caused by improper maintenance or workmanship during scheduled and contracted services.
- RSL OUTDOOR will not assume responsibility or be held accountable for any damages due to circumstances beyond their control, including, but not limited to; extreme temperatures, acts of God, vandalism, or previous contractors neglect.
- Prior to contract acceptance by RSL OUTDOOR., contractor will walk properties to insure that all existing turf, trees, shrubs, and irrigation systems are in good condition. Rock Solid Landscapes, Inc. will not be held responsible for pre-existing conditions. All issues will be noted to client prior to acceptance.
- RSL OUTDOOR will not be held responsible for delays in service due to unfavorable weather conditions.
- Either party may terminate this agreement, with or without cause, by notice in writing at least 30 prior to the effective date to the other party.
- Payments due 30 days from day of invoice receipt. Payments received after 30 days will be assessed a late charge of 10% on the unpaid balance.
- Areas around ponds will be trimmed 2 times a year but cutting out unwanted plants, thinning out plans and pruning plants around ponds by water falls, tennis court and native area ponds

Landscape Maintenance Schedule:

Exhibit A

	<u>PER SERVICE</u>	<u>TOTAL</u>
▪ Spring Clean-Up (1)	\$1,200.00	\$1,200.00
▪ Mow/ Trash (26) & monthly edging (7)	\$722.00	\$18,722.00
▪ Aeration (2) Spring and Fall	\$340.00	\$680.00
▪ Non-Irrigated Mowing (2)	\$1,215.00	\$2,430.00
▪ Weeding, Dead Head (13)	\$123.00	\$1,599.00
▪ Pre-emergent rock beds (1)	\$570.00	\$570.00
▪ Pruning of all Shrubs (1)	T&M	
▪ Pruning and Thinning pond plants (2)	T&M	
▪ Fall Clean-Ups		\$2,590.00
TOTAL		\$27,791.00

All requested irrigation repairs will be billed at \$65.00 per man hr plus materials. Materials will be marked up 30% of contractors price after taxes.

AGREED AND ACCEPTED:
RSL OUTDOOR

Customer / Managing Agent	Date
<i>Chris Bauer</i>	10-7-24
RSL OUTDOOR	Date