

**Minutes of Budget and Annual Meeting of Homeowners
Somerset Estates Homeowners Association (SEHOA)
March 28, 2023
8500 Niwot Rd, Niwot and by Zoom Conference**

1. Call to Order and Quorum

The meeting was called to order at 7:00 PM. The meeting was held in person at the Mountain View Fire Station, 8500 Niwot Rd, Niwot and by video conference (Zoom). The Zoom link was provided with the Annual Meeting Notice and posted on the website. Ten lots were represented in person, five lots were represented in person on Zoom, and 16 lots were represented by proxy (ten naming Steve Lehan, two naming Allan Orendorff, one naming Scott Abrahamson, one naming Larry Becker, one naming Paula Hemenway, and one for quorum only). The 31 lots present in person or by proxy out of 89 in Somerset Estates represent 35%, establishing a quorum of at least 20%.

2. Ratification of 2023 Budget

The proposed 2023 budget as approved by the Executive Board on February 21, 2023 was mailed to all Members along with the meeting notice.

2023 Proposed Budget Summary

2023 Dues	
\$2950 for year per Lot	(\$700 in Q1; \$750 in Q2-Q4)
Operating Budget	
Operating Revenue	\$262,550
Operating Expenses	(\$172,330)
Excess of Operating Revenue over Expenses	\$90,220
Reserves Budget	
Capital Expenses	(\$186,500)
Interest Income	\$12,000
NET INCOME	(\$84,280)
Starting Combined Cash	\$439,251
Less NET INCOME	(\$84,280)
Projected Ending Cash	\$354,971

The proposed budget was presented by Scott Abrahamson, SEHOA President. It sets the 2023 annual assessment per Lot at \$2,950 (\$700 in Q1 and \$750 in Q2-Q4). Because the proposed 2023 annual assessment is not greater than 110% of the 2022 annual assessment, the budget is ratified unless a majority of all Members (meaning 45 Members) vote to reject the budget. Discussion about whether the dues increases are sufficient to cover expected increases in operating expenses.

MOTION to ratify the 2023 budget made by Tim Koller, seconded by Marc Arnold, no further discussion, approved by voice vote with one nay vote.

3. Proof of Notice and Approval of March 29, 2022 Meeting Minutes

The Annual Meeting Notice was mailed to all Members on March 3, 2023 and signs announcing the meeting were posted in the neighborhood. The minutes of the Annual Meeting held on March 29, 2022 were included in the mailing to Members. MOTION made by Tim Koller to approve these minutes, seconded by Bob Uhler, no discussion, approved unanimously by voice vote.

4. Update by Current Board

2022 Year in Review

Scott Abrahamson presented the major accomplishments over the past year. The full presentation is posted on somerwestates-hoa.com under Library>>2023 File Downloads. The following accomplishments were highlighted:

- As a result of a quiet title action by SEHOA, a district court decree was issued in November 2022 establishing that SEHOA owns all the outlots in the community that are not owned by Boulder Count. The decree also confirms that Somerset Swim & Tennis Club (SSTC) is the owner of its property (pool, tennis court, parking lot, etc.). This was the final step in the formation of SEHOA.
- Major changes to the Colorado Common Interest Ownership Act (CCIOA), required the review and updating of all Board policies. Updates were also completed to the Lot Easement Policy and Rental Rules (these are not required by CCIOA). A minor change was made to the Bylaws on Board terms. Legal counsel to SEHOA also reviewed a number of legacy documents from the 1990s and involving the developer, Longview Associates, and the initial HOA (Somerset HOA), recorded and otherwise, and advised the Board on whether or not they applied to SEHOA. The only governing or related document that has not been updated is the Declaration. This will be considered in 2023.
- Water issues remain. When ditch water is available to lease, it is inexpensive. In 2022, we were able to lease 20 shares (compared to 50-60 shares in prior years). Because of improved metering from the ditch, this allowed us to get by with some reduction in running of the waterfall and irrigation. We bid on some Boulder & White Rock ditch shares but came in second. We will continue to look at options for long-term water resolution. Total water use in 2022 was approximately 37 AF.
- Improved Common Areas:
 - Six asphalt paths were replaced connecting streets to the open space and to the north path behind Daylilly, Columbine, and Primrose.
 - Finished common area fence staining.
 - Repaired electrical systems behind the street monuments.
- Some improvements were postponed to 2023:
 - Refurbishment and upgrade of entrance at Hwy 52.
 - Water system operations manual.
- Other improvements planned for 2023:
 - Refurbish Pond 1 in Somerset (underway).
 - Develop plan for Pond 3 (near the waterfall).
 - Clean up waterfall and add lighting.
 - Complete Niwot Loop Trail across Somerset Dr. (paid for by Boulder County).
- The Board has continued discussions with Boulder County about our subdivision roads. The County might allow the subdivision to separately contract repaving via a Public Improvement District (PID). We need to obtain estimates from paving companies to compare to County estimates. SEHOA is investigating but any possible PID will be independent of SEHOA.
- The Social and Welcome Committee is planning a party this summer and has various active social groups (Book Club, Mah Jongg, and Poker). The first edition of a directory has been published.
- The main goal of the Architectural Control Committee (ACC) is to maintain and improve the value of homeowner property in Somerset Estates. Work in 2022 included:
 - Approved 26 project requests, evenly divided between landscaping, major yard structure installations, and exterior major home improvements.

- Continued the maintenance compliance program to maintain strong curb appeal with pruned vegetation and well-maintained yards and structures.
- Continued mediation process for voluntary re-opening of mountain views to ensure long-term value to homeowners while balancing reasonable privacy needs of neighbors.
- The ACC requests that homeowners cut back trees and shrubs adjacent to or overlapping fences and walkways.

Comments/questions from homeowners:

- Tim Koller and Candice Hoenes asked if the Board has considered replacing grass on the common areas with xeriscaping to reduce water use. This has been considered and will continue to be looked at in specific areas moving forward.
- Bob Uhler suggested that we look into leak detection systems for the irrigation system.

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 Pea Lawson, Steve Lehan, and Paula Hemenway came to an end as of this meeting. The terms of Scott Abrahamson and Anthony Chirikos extend another year, ending in March 2024. Paula Hemenway and Steve Lehan previously agreed to be candidates for election. No questions were asked of them. As explained in the meeting notice, any additional candidates were asked to state their interest by March 22 as a contested election requires a vote by secret ballot. No additional candidates came forward by that date. Scott Abrahamson asked for nomination from the floor, and none came forward.

6. Executive Board Election

Because the Board election was non-contested, a secret ballot was not required. MOTION to elect slate of Paula Hemenway and Steve Lehan for two-year terms ending March 2025 made by Kamla Chopra, seconded by Kip Sharp, no further discussion, approved unanimously by voice vote. Election of two board members to fill the three vacancies means that we are short one board member.

7. Member Open Forum

No further discussion.

The meeting was adjourned at 7:50 PM.

Paula Hemenway
SEHOA Secretary
March 31, 2023