



SOMERSET ESTATES HOMEOWNERS ASSOCIATION

March 26, 2024 Annual Meeting Information

February 29, 2024

Dear Somerset Estates Homeowner,

You are cordially invited to attend the sixth Annual Meeting of the Somerset Estates Homeowners Association (SEHOA) on Tuesday, March 26 at 7 PM. You have a choice of attending in person, by Zoom, or by proxy. **A quorum of 20% of Members is required to conduct business at this meeting,** so please either attend **or submit a proxy.** If you are unsure if you will attend the meeting either in person or by Zoom, we ask that you submit the proxy form in advance as you may still revoke your proxy if you decide to attend.

If you want to attend in person: The in-person meeting location is the home of Tim and Melissa Koller at **6511 Primrose Lane.** The business meeting will be preceded by a social time starting at 6:30 PM.

If you want to attend by Zoom: The log-in is Meeting ID: 852 6067 0334 and Passcode: 217667.

If you want 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 25 at 3 PM.

This letter constitutes the notice requirement of the Bylaws. The main purposes of the meeting are to ratify the 2024 budget and to elect two 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.

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, 2024 invoice.

Order of Meeting

- Social Time (starting at 6:30 PM)
- Budget Meeting (starting at 7 PM)
 - Ratification of 2024 Budget (enclosed)
- Business Meeting
 - Approval of Minutes from March 28, 2023 Annual Meeting (enclosed)
 - Update by Current Board
 - Statements from Candidates for the Board
 - Candidate Q&A
 - Executive Board Election
 - Member Open Forum

2024 Proposed Budget

At the Executive Board meeting on February 20, 2024, the Board passed a resolution to adopt the enclosed 2024 Proposed Budget. **The proposed budget sets the quarterly assessment at \$825/qtr starting on April 1, 2024.** As the 2024 annual assessment of \$3,225 (\$750 in the first quarter and \$825 for the next three quarters) is not greater than 110% of the 2023 annual assessment of \$2,950, 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, 2024 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 2024 budget and final results for 2023 are enclosed, with a summary below.

2024 Proposed Budget Summary

2024 Dues	
\$3,225 for year per Lot	(\$750 in Q1; \$825 in Q2-Q4)
REVENUE	\$302,975
Operating Expenses	
Administrative	(\$37,450)
Landscape Maintenance	(\$75,160)
Water Infrastructure Maintenance	(\$46,000)
Other Infrastructure Maintenance	(\$12,200)
Electricity and Water Fees	(\$21,000)
TOTAL OPERATING EXPENSES	(\$191,810)
Capital Expenses	
Landscape Capital Projects	(\$52,800)
Water Infrastructure Capital Projects	(\$163,200)
Other Infrastructure Capital Projects	(\$46,000)
TOTAL CAPITAL EXPENSES	(\$262,000)
Interest Income	\$10,000
NET INCOME	(\$140,835)
Starting Cash (Checking and Reserves)	\$387,813
Less NET INCOME	(\$140,835)
Projected Ending Cash	\$246,978

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 Scott Abrahamson and Anthony Chirikos come to an end as of this meeting, so **there are two seats up for election this year.** (The terms of Paula Hemenway, Tim Koller, and Steve Lehan extend another year, ending in March 2025.)

We are grateful to Scott Abrahamson, the second SEHOA President, for his service on the board for over three years and on the Architectural Control Committee (ACC) before that. He is not seeking re-election. Fortunately, Anthony Chirikos has agreed to stand for election for another two-year term.

Other Members interested in running for the Board are invited to do so by sending an email to info@somersetestates-hoa.com no later than March 22nd. Nominations may also be made from the floor. Please see the enclosed information sheet for more details on Board responsibilities, as well as the required Annual Notice to Members.

If more than two Members are candidates for the two open positions (a "contested election"), the election must be held by secret ballot. It will be helpful to know of other candidates prior to the meeting so that we can be prepared to use the voting function on Zoom. It is possible that in the case of a contested election, the Board will decide to adjourn the meeting and mail secret ballots to Members shortly after the adjournment.

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

Scott Abrahamson, President

Anthony Chirikos, Treasurer

Steve Lehan, Vice President

Paula Hemenway, Secretary

Tim Koller, Director

Executive Board Candidate General Information

As stated in the Bylaws for the Somerset Estates Homeowners Association (available on somersetstates-hoa.com under Library >> Governing Documents), Directors will be elected for two Executive Board positions at the Annual Meeting on March 26, 2024 (or any adjourned session thereof). Directors are elected for two-year terms. The Directors will elect officers: President, Vice President, Secretary, and Treasurer. The following is a general description of the duties of Directors. More detailed information on the responsibilities of Directors and officers can be found in the Bylaws.

Responsibilities of Directors (partial list)

- Attend regular and special meetings of the Executive Board and homeowners. The Board has been meeting on the third Tuesday evening of the month.
- Prepare for these meetings, including preparation of homeowner communication documents, policies, minutes, financial reports, etc.
- Adopt budgets for revenues, expenditures, and reserves.
- Set and collect assessments for common expenses.
- Hire and discharge managing agents, independent contractors, and agents.
- Institute, defend or intervene in litigation or administrative proceedings in the Association's name on matters affecting the Community or Association.
- Make contracts and incur liabilities on behalf of the Association.
- Regulate the use, maintenance, and replacement of common elements and cause additional improvements to be made as a part of the common elements.

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.

Somerset Estates Homeowners Association			
2023 YEAR-END TOTALS AND 2024 PROPOSED BUDGET			
COMBINED OPERATING AND CAPITAL EXPENSES			
	2023	2023	Proposed
	Year Totals	Annual	2024
	ACTUALS	BUDGET	BUDGET
REVENUE and EXPENSE SUMMARY			
OPERATING REVENUE			
HOA Dues	\$ 256,519	\$ 262,550	\$ 292,975
Other Revenue (Late fees, fines, misc, special assessment, etc)	\$ 870	\$ -	\$ 10,000
TOTAL OPERATING REVENUE	\$ 257,389	\$ 262,550	\$ 302,975
OPERATING EXPENSES			
Administrative			
Accounting Fees	\$ 296	\$ 280	\$ 300
Bank Charges & Fees	\$ (21)	\$ 100	\$ 100
Business Filing Fees	\$ 43	\$ 50	\$ 50
Insurance	\$ 9,115	\$ 9,000	\$ 9,500
Legal	\$ 35	\$ 4,000	\$ 1,000
Legal - other (water)	\$ 870	\$ 1,000	\$ -
Meeting Expense	\$ -	\$ 100	\$ 100
Miscellaneous	\$ 300	\$ 200	\$ 300
Office Expense & Supplies	\$ -	\$ 100	\$ 100
Postage & Delivery	\$ 558	\$ 500	\$ 600
Printing & Reproduction	\$ 841	\$ 700	\$ 900
Property Manager Fees	\$ 15,900	\$ 15,900	\$ 16,500
Property Transfer Fee	\$ 750	\$ -	\$ -
Storage	\$ 1,444	\$ 1,500	\$ 1,500
Taxes	\$ 513	\$ 1,200	\$ 3,400
Web-site Hosting/Domain/Cloud Storage	\$ 3,054	\$ 3,500	\$ 3,100
Total Administrative	\$ 33,698	\$ 38,130	\$ 37,450
Landscape Maintenance			
Aeration	\$ 646	\$ 650	\$ 650
Clean-up Spring/Fall	\$ 4,109	\$ 3,590	\$ 4,100
Holiday Decoration	\$ 3,181	\$ 3,500	\$ 3,200
Lawn Fertilization/Weed Control	\$ 8,547	\$ 9,100	\$ 9,100
Miscellaneous Landscape	\$ 815	\$ 2,000	\$ 2,000
Mowing - Irrigated	\$ 19,620	\$ 17,000	\$ 20,000
Mowing - Non-irrigated	\$ 2,310	\$ 2,310	\$ 2,310
Shrub Pruning	\$ 2,781	\$ 4,000	\$ 4,000
Snow Removal	\$ 6,050	\$ 6,400	\$ 6,400
Trash Removal & Dump Fees	\$ 3,061	\$ 2,400	\$ 3,100
Tree Maintenance (Fertilizer & Bug Control)	\$ 168	\$ 800	\$ 800
Tree Trimming and Removal	\$ 1,732	\$ 7,000	\$ 12,000
Gardens/Flowers	\$ 8,860	\$ 7,900	\$ 5,000
Weeding Gardens	\$ 2,310	\$ 2,000	\$ 2,500
Total Landscape Maintenance	\$ 64,190	\$ 68,650	\$ 75,160
Water Infrastructure Maintenance			
Irrigation Maintenance	\$ 19,458	\$ 20,000	\$ 30,000
Pond and Waterfall Maintenance	\$ 8,235	\$ 11,000	\$ 15,000
Pump Maintenance	\$ 225	\$ 2,000	\$ 1,000
Total Water Infrastructure Maintenance	\$ 27,918	\$ 33,000	\$ 46,000
Other Infrastructure Maintenance			
Electrical/Light Maintenance	\$ 1,414	\$ 8,000	\$ 8,000
Fence Maintenance	\$ 1,694	\$ 1,500	\$ 1,500
Miscellaneous Maintenance	\$ 135	\$ 200	\$ 200
Path/Sidewalk Maintenance	\$ 1,482	\$ 2,000	\$ 1,500
Utility Locating	\$ 620	\$ 1,000	\$ 1,000
Total Other Infrastructure Maintenance	\$ 5,345	\$ 12,700	\$ 12,200
Electricity and Water Fees			
Electricity	\$ 17,516	\$ 14,000	\$ 18,000
Water - Ditch fees and Leased	\$ 2,136	\$ 5,850	\$ 3,000
Total Electricity and Water Fees	\$ 19,652	\$ 19,850	\$ 21,000
TOTAL OPERATING EXPENSES	\$ 150,803	\$ 172,330	\$ 191,810
EXCESS (DEFICIENCY) OF REVENUE OVER OPERATING EXPENSES	\$ 106,586	\$ 90,220	\$ 111,165

	2023	2023	Proposed
	Year Totals	Annual	2024
	ACTUALS	BUDGET	BUDGET
CAPITAL EXPENSES			
Landscape Capital Projects			
Specific Location Landscape Plan	\$ 4,000	\$ 5,000	\$ 7,800
Landscape at Hwy 52	\$ -	\$ -	\$ 40,000
Cyclical Landscape Refurbishment	\$ 15,552	\$ 10,000	\$ 5,000
Total Landscape Capital Projects	\$ 19,552	\$ 15,000	\$ 52,800
Water Infrastructure Capital Projects			
Irrigation Major Repairs	\$ 6,316	\$ 15,000	\$ -
Water Systems Engineering and Operations Manual	\$ 18,566	\$ 22,500	\$ -
Upgrades to ditches and meters from ditches	\$ -	\$ 2,000	\$ 3,500
Pond liner replacement - Pond 1	\$ 81,039	\$ 60,000	\$ 3,700
Pond liner repairs	\$ 6,315	\$ 10,000	\$ 40,000
Pond 3 Redesign	\$ -	\$ -	\$ 100,000
Pump replacement - Waterfall pumps	\$ -	\$ -	\$ 16,000
Total Water Infrastructure Capital Projects	\$ 112,236	\$ 109,500	\$ 163,200
Other Infrastructure Capital Projects			
Fence Refurbishment and Replacement	\$ 3,656	\$ -	\$ -
Lighting at Hwy 52	\$ -	\$ 20,000	\$ 33,000
Major repairs of street monuments	\$ 29,330	\$ 14,000	\$ 3,000
Modifications of entrance monuments at Hwy 52	\$ -	\$ 28,000	\$ 10,000
Total Other Infrastructure Capital Projects	\$ 32,986	\$ 62,000	\$ 46,000
TOTAL CAPITAL EXPENSES	\$ 164,774	\$ 186,500	\$ 262,000
INTEREST INCOME			
Interest Income	\$ 13,474	\$ 12,000	\$ 10,000
TOTAL REVENUE	\$ 270,863	\$ 274,550	\$ 312,975
TOTAL EXPENSE	\$ 315,577	\$ 358,830	\$ 453,810
NET INCOME	\$ (44,714)	\$ (84,280)	\$ (140,835)