

Somerset Estates Homeowner Association
Fifth Annual Homeowner Meeting

Welcome

March 28, 2023, 7:00pm

Somerset Estates Homeowners Association

Maximizing Our Home Values, Quality of Life, and Position as a Premier Community

Executive Board

Scott Abrahamson

Anthony Chirikos

Paula Hemenway*

Pea Lawson*

Steve Lehan*

* Term Expires Tonight

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Architectural Control Committee

Larry Becker, Chairman
Randy Haisfield
Erik Hoenes
Barbara Stager
Bob Uhler

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Social and Welcome Committee

Richelle Burnett
Kamla Chopra
Anita Harris
Diane Jensen
Melissa Koller
Pea Lawson (Board rep)
Susie Lindau
Beth Ryan

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Agenda

- 1) Call to Order / Quorum / Proof of Notice
- 2) Ratification of 2023 Budget
- 3) Approve Prior Minutes (March 29, 2022)
- 4) Update by Current Board (2022 Year in Review)
- 5) Candidate Statements / Q&A
- 6) Executive Board Election
- 7) Member Open Forum
- 8) Adjourn

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1) Call to Order / Quorum / Proof of Notice

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Zoom Voting Procedures

(Minutes, Budget, Election)

Motion / Second
Questions / Comments
Unmute / Voice Vote

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2) Ratification of 2023 Budget

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2022 Actuals and 2023 Budget Summary

	Approved 2022 Budget	2022 Actuals	Variance - Better (Worse)	Proposed 2023 Budget
REVENUE				
HOA Dues	\$246,975	\$248,950	\$1,975	\$262,550
Other Revenue	\$3,500	\$7,976	\$4,476	\$0
Total Revenue	\$250,475	\$256,926	\$6,451	\$262,550
EXPENSES				
Operating Expenses	\$157,900	\$162,193	(\$4,293)	\$172,330
Capital Expenses	\$198,500	\$119,443	\$79,057	\$186,500
Total Expenses	\$356,400	\$281,636	\$74,764	\$358,830
INTEREST INCOME	\$2,070	\$4,046	\$1,976	\$12,000
NET INCOME	(\$103,855)	(\$20,664)	\$83,191	(\$84,280)

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Balance Sheet

Operating Account Balance as of 12/31/22	\$38,691
Reserves Account Balance as of 12/31/22	\$400,560
Combined Balance as of 12/31/22	\$439,251
Projected for 2023:	
Less NET INCOME	(\$84,280)
Projected Combined Balance as of 12/31/23	\$354,971

- Conceptually, SEHOA finances are treated like two separate funds
 - Operating
 - Reserves
- In actuality, we have only one set of books
 - All revenue and expenses flows through the Operating Account.
 - "Reserve" account is funds invested in interest-bearing accounts
 - Funds are moved as needed to pay expenses and to maximize interest

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2023 Operating Budget

CATEGORY	DETAILS	BUDGET
REVENUE	Dues @\$750/qtr starting Q2	\$262,550
EXPENSES:		
Administrative	Insurance, Legal, Property Mgmt, Website & Storage, etc.	\$38,130
Landscape Maintenance	Irrigation, Mowing & Fert, Trees, Flowers, Snow Removal	\$88,650
Infrastructure Maintenance	Electrical, Fence, Paths, Ponds	\$25,700
Water & Utilities	Electricity, Water Ditch & Lease	\$19,850
TOTAL		\$172,330

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2023 Capital Budget

CATEGORY	SPECIFIC PROJECTS	ESTIMATED COST
WATER SYSTEM INFRASTRUCTURE	Mostly completed in 2022	\$2,000
IRRIGATION SYSTEM	Major repairs	\$15,000
WATER FEATURES	Pond 1 refurbishment; other pond liner repairs	\$70,000
WATER PROFESSIONAL FEES	Operations manual; water engineering	\$22,500
HARDSCAPE	Monument repairs Lighting replacement	\$62,000
SOFTSCAPE	Cyclical landscape refurbishment; landscape planning	\$15,000
TOTAL		\$186,500

Budget Ratification Vote

- Motion / Second
- Questions / Comments
- Unmute / Voice Vote

(Ratified unless 50% (45) of all Members vote against budget)

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3) Approve Prior Minutes (March 29, 2022)

Motion / Second
Questions / Comments
Unmute / Voice Vote

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4) Update by Current Board (2022 Year in Review)

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2022 Year in Review

- A. Outlot Ownership – Quiet Title Action
- B. Governing Documents Review
- C. Comprehensive Water Plan
- D. Common Area Improvements
- E. Road Situation
- F. Social and Welcome Committee Update
- G. Architectural Control Committee Update

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A. Outlot Ownership – Quiet Title Action

- Complete:
 - Final action in the formation of SEHOA
- Court decree issued in November 2022
 - SEHOA owns all outlots in community not owned by Boulder County.
- Decree establishes SSTC as owner of its property
 - Pool, tennis courts, parking lot, etc.

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B. Governing Documents Review

- Major changes to the Colorado Common Interest Ownership Act (CCIOA) required review and update of all Board policies.
- Update to Lot Easement Policy and Rental Rules (not required by CCIOA).
- Minor Bylaws change on Board terms.
- Completed legal review of various legacy documents
- Remaining discussion:
 - Whether to amend Declaration to clarify some areas.

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C. Comprehensive Water Plan

- Water rights ownership only gives SEHOA a “seat at the table” with water companies
- We have not solved all our water issues:
 - Inadequate supply – must rely on leased water; limited supply in 2022
 - We bid on Boulder & White Rock ditch shares – came in second
 - To permanently secure our ability to use water as intended, the water rights we own may require additional proceedings
- Long-term efforts potentially time-consuming/costly
- Periodic updates via What’s Up

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D. Common Area Improvements

- Installed new meters on two ditches to Pond 1
 - Solved ditch company overstatement of SEHOA water from inaccurate metering
 - Data shows SEHOA was receiving about 50% of water
 - Owned and leased
- Water from Pond 1 now metered separately
- Pond 1 pump house refurbished
- By agreement, Pond 1 costs are split 50/50 with SHOA

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2022 Water Use Demand

Water Use - AF	SEHOA	SHOA	Total
Per meters - out of pond 1	34.8	9.5	44.3
Fill pond 1 (estimate)	0.5	0.5	1
Pond 1 evaporation (est per Lamp-Rynearson)	0.3	0.3	0.6
Total	35.6	10.3	45.9
	78%	22%	

Supply

Source - AF	SEHOA	SHOA	Total
River Run from BLH – May 21 to July 16	16.7	1.6	18.3
BWR from storage @0.75 yield	5.6	3.0	8.6
C-BT from storage @0.7 yield	3.5	4.2	7.7
BLH from storage	0	0	0
BWR leased – 10 shares from Waterstone	7.5	0	7.5
C-BT leased – 10 shares from BWR	7.0	0	7.0
Total	40.3	8.8	49.1

*Difference of 3.2 AF most likely due to

- Variations in water drawn from ditch,
- Any pond 1 leaks

Far closer match than prior years when 50 shares were leased for essentially same water use – we were not getting full volume of water owned or leased.

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D. Common Area Improvements

- Six asphalt paths replaced
 - Connecting streets to open space
 - Connections to north path behind Daylilly, Columbine, and Primrose
- Finished common area fence staining
- Street monuments electrical repaired

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D. Common Area Improvements Postponed to 2023

- Hwy 52 entrance
 - Repair entrance monuments.
 - Replace light and landscaping.
 - Marc Arnold heading a committee to address the Hwy 52 improvements
- Water system operations manual.

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D. Common Area Improvements Planned for 2023

- Pond 1 refurbishment (underway)
- Develop plan for Pond 3
- Clean up waterfall and add lighting
- Complete Niwot Loop Trail across Somerset
 - Add fencing and crosswalk
 - Paid for by Boulder County

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E. Road Situation

- Roads in Somerset Estates at/beyond useful life
- Boulder County owns roads in Somerset Estates
 - County will not rebuild
- County might allow subdivision to separately contract repaving via a Public Improvement District (PID)
- Need to obtain estimates from paving companies to compare to County estimates
- SEHOA is investigating, but any possible PID will be independent of SEHOA

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F. Social and Welcome Committee

- Party at Jensen's this summer
- Active Book Club, Mah Jongg, and Poker groups
- First Edition Directory published

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G. Architectural Control Committee (ACC)

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ACC Main Goal

Maintain & Improve Value of SE
Homeowner Property

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SEHOA ACC Main Functions

1. Architecture and Landscape review requests
 - Approved 26 various homeowner requests in last 12 months.
 - 1/3 of the requests related to Landscaping
 - 1/3 major yard structure installations, (swimming pools, decks, firepits & grills)
 - 1/3 exterior major Home Improvements (windows , painting, roof work)
2. Maintenance compliance program
 - Ensure SE community continues to maintain strong SE curb appeal with pruned vegetation and maintained yards and structures including SE common areas
3. Encourage SE community neighborly cooperation
 - Support SE homeowners on voluntary re-opening of mountain views to all SE homeowners to ensure long-term value to SE homeowners while balancing reasonable privacy needs of neighbors.

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SEHOA ACC Maintenance Compliance Program

- ACC neighborhood walk through planned various times of the year in spring thru fall.
- ACC members will attempt to photograph and date any concerns without walking on SE homeowner property.
- Early homeowner action: Cut back trees and shrubs adjacent to or overlapping fences and walkways – this will save cost and avoid compliance notices.
- SE homeowners have been very supportive and cooperative in this process. THANK YOU!!

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Q&A

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(5) Candidate Statements and Q&A

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Board Composition

- Five Member Board / Staggered Terms
- Scott Abrahamson and Anthony Chirikos elected in 2022 for 2-year terms (Mar 2024)
- Three Terms Expiring Tonight
 - Paula Hemenway, Pea Lawson, and Steve Lehan
- Two Candidates to Fill Vacancies
 - Paula Hemenway and Steve Lehan

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Paula Hemenway

- Current SEHOA Board Member and Secretary
- Elected to Board in 2018
 - Re-elected in 2019 and 2021
- Homeowner with Jim since 2014

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Steve Lehan

- Current SEHOA Board Member and Vice President
- Elected to Board in 2021
- Homeowner with Lisbeth for 14 yrs
- On SSTC board for 14 years

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Other Nominations?

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Q&A

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(6) Executive Board Election

Motion / Second
Questions / Comments
Unmute / Voice Vote

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(7) Member Open Forum

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(8) Adjourn

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