

**Minutes of Meeting of the Executive Board of
Somerset Estates Homeowners Association (SEHOA)
February 15, 2022
Via Zoom**

- 1. Call to Order and Quorum** - The meeting was called to order at 6:34 PM. Quorum met for Executive Board meeting with Scott Abrahamson (SA), Paula Hemenway (PH), Steve Lehan (SL), Pea Lawson (PL), and Herb McPherson (HM) present.

Property Manager present – Al Orendorff (AO)

ACC member present – None

Homeowners present – None

- 2. Approval of Prior Meeting Minutes** – MOTION to approve minutes from the Meeting of the Executive Board on January 20, 2022, made by HM, seconded by SL, no further discussion, approved unanimously.
- 3. Treasurer’s Report** – The year-end 2021 Treasurer’s report is attached. At year-end, one homeowner had not made the second special assessment payment. AO to send notice of delinquency. As the 2022 budget has not been approved, the January report doesn’t include variance from budget and will be finalized for the March 15 Board meeting.
- 4. Approve 2022 Budget** – A couple of minor adjustments were made in the draft budget discussed at the January 20, 2022 board meeting based on recently received estimates. Final versions of both operating and capital budgets are attached.

MOTION to approve attached budget for 2022 for ratification at the homeowner meeting on March 29, 2022 made by PH, seconded by SL, no further discussion, approved unanimously.

- 5. Approve Amendment to Agreement with SHOA** – Postponed as waiting from confirmation from SHOA.

- 6. Wildfire Preparedness**

- **Insurance Coverage** – AO and PH will coordinate with Rich Ban of Anderson-Ban on any changes we might want to make to our coverage and present to Board at upcoming meeting.
- **Risk Mitigation** – AO asked if we are interested in having a Fire Marshall talk at the annual meeting. He will check on availability. Perhaps multiple HOAs in Niwot can approach the county together about protecting Niwot. Someone needs to clear out piles of vegetation from ditch used by SEHOA but not on SEHOA property.

- 7. Property Manager’s Report** – Getting quote on asphalt paths from DACS; will also ask for quote from Tellez Concrete. Working with BWR Ditch Company and Hydrologik on approvals needed for new meters. The transfer line from Pond 1 to Pond 2 is ready except that we need to make new connections to supply water down Longview Dr to Bellflower Ct and complete some minor plumbing on the new transfer pump. Garrett Quackenbush (GTL) is preparing a quote to upgrade the pump house. Will get a seasonal price from Aquatics Environmental to treat the waterways for vegetation control. Rosewood Electric can start doing the work on the street monuments as weather permits. Flowers have been ordered. GTL has supplied a sample of the water system operations manual. SA to review.

- 8. Road Paving Discussion** – SL reported that he tracked down Mike Thomas, the county engineer that worked with Burgundy Park in Niwot on its subdivision roads. He’s willing to talk to us about making

a proposal for Somerset Estates. There is a citizens' group that is trying to get a county-wide transportation tax. SL is communicating with the person in charge of that but thinks we should get a proposal from the county separate from a possible transportation tax. He hopes to know more in a month – perhaps can update homeowners at annual meeting.

- 9. Social and Welcome Committee Update** – PH will send PL updated version of directory form for inclusion in the Annual Meeting package.
- 10. Annual Meeting Date** –Tuesday, March 29 at 7 PM. Melissa Koller has offered to hold the meeting at her home. HM suggested holding meeting both in-person and by Zoom. SL said that Zoom has added a secret voting function. AO suggested separating the Budget Meeting from the Annual Meeting in case we don't have a 20% quorum for the Annual Meeting. A quorum is not needed to approve the budget.
- 11. Other Business** – Discussion regarding ACC maintenance violations on two properties. Last fines were levied on 12/17/21. All outstanding fines were paid at year-end. Although not all maintenance items are completely resolved, decision made to not levy additional fines tied to the original violations. Any remaining and new issues will be covered during the ACC inspections in the spring.

Parking by water tower on access road by Somerset Dr. is an on-going problem. SL suggests we think about putting some kind of chain at bottom of road. AO said we used to have something like that. Would need something that can't be easily bypassed. Will investigate options.

- 12. Member Open Forum** – None
- 13. Next meeting** – Executive Board meeting on Tuesday, March 15, 2022 at 6:30 PM.
- 14. Adjourn** - The meeting adjourned at 8:08 PM.



Paula Hemenway, Secretary
February 28, 2022

Somerset Estates Homeowners Association - Treasurer's Report

Operating and Reserve Fund(s)

Balance Sheet and Summary Income Statement

DECEMBER 2021

BALANCE SHEET

As Of December 31, 2021

	Operating Fund	Reserve Fund	Total
ASSETS			
<u>Operating/Checking Account</u>			
FirstBank	\$ 46,273.30	\$ -	\$46,273.30
<u>Investment/Reserve Account</u>			
Capital One	\$ -	\$ 413,590.71	\$ 413,590.71
TOTAL ASSETS	\$ 46,273.30	\$ 413,590.71	\$ 459,864.01
LIABILITIES & FUND BALANCE			
Fund Balance	\$ 46,273.30	\$ 413,590.71	\$ 459,864.01
TOTAL LIABILITIES & FUND BALANCE	\$ 46,273.30	\$ 413,590.71	\$ 459,864.01

Statement of Revenues, Expenses, and Changes in Fund Balance

As Of December 31, 2021

	Operating Fund	Reserve Fund	Total
REVENUES			
HOA Dues	\$ 2,700.00	\$ -	\$ 2,700.00
HOA Violations & Fines	\$ 1,659.00	\$ -	\$ 1,659.00
Special Assessment	\$ -	\$ 6,825.00	\$ 6,825.00
Other Misc. Income, Transfer Fees & Interest	\$ 210.00	\$ 126.37	\$ 336.37
TOTAL REVENUES	\$ 4,569.00	\$ 6,951.37	\$ 11,520.37
EXPENSES			
Administrative	\$ 2,758.56	\$ -	\$ 2,758.56
Landscape Repair & Maintenance & Enhancement	\$ 5,895.60	\$ -	\$ 5,895.60
Lights & Fence & Path & Pond Maintenance & Repair	\$ 1,787.76	\$ -	\$ 1,787.76
Water & Utilities	\$ 360.62	\$ -	\$ 360.62
Water Rights	\$ -	\$ 406.00	\$ 406.00
Water System Infrastructure	\$ -	\$ -	\$ -
Water Features (Ponds & Waterfall)	\$ -	\$ -	\$ -
Water System Profession Fees (Project Mgmt. & Ops Manual)	\$ -	\$ -	\$ -
Irrigation System	\$ -	\$ -	\$ -
Hardscape (Fence & Paths & Monuments)	\$ -	\$ -	\$ -
Softscape (Master Landscape Plan)	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 10,802.54	\$ 406.00	\$ 11,208.54
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (6,233.54)	\$ 6,545.37	\$ 311.83
3			
TRANSFER BETWEEN OPERATING FUND and RESERVE FUND	\$ (110,000.00)	\$ 110,000.00	\$ -

Somerset Estates Homeowners Association - Treasurer's Report																				
Operating Fund																				
Income Statement																				
DECEMBER 2021																				
	DECEMBER 2021	YTD-ACTUAL 2021	YTD-BUDGET 2021	YTD- 2021 Better/(Worse)	BUDGET 2021															
REVENUE and EXPENSE SUMMARY																				
REVENUE																				
HOA Dues	\$ 2,700.00	\$ 238,950.00	\$ 240,300.00	\$ (1,350.00)	\$ 240,300.00															
HOA Violations & Fines	\$ 1,659.00	\$ 1,689.08	\$ -	\$ 1,689.08	\$ -															
Other Misc. Income & Transfer Fees	\$ 210.00	\$ 2,710.00	\$ 1,000.00	\$ 1,710.00	\$ 1,000.00															
TOTAL INCOME	\$ 4,569.00	\$ 243,349.08	\$ 241,300.00	\$ 2,049.08	\$ 241,300.00															
EXPENSES																				
Administrative	\$ 2,758.56	\$ 31,241.61	\$ 42,100.00	\$ 10,858.39	\$ 42,100.00															
Landscape Repair & Maintenance & Enhancement	\$ 5,895.60	\$ 74,929.58	\$ 87,900.00	\$ 12,970.42	\$ 87,900.00															
Lights & Fence & Path & Pond Maintenance	\$ 1,787.76	\$ 13,003.65	\$ 14,900.00	\$ 1,896.35	\$ 14,900.00															
Water & Utilities	\$ 360.62	\$ 18,711.73	\$ 18,200.00	\$ (511.73)	\$ 18,200.00															
TOTAL EXPENSES	\$ 10,802.54	\$ 137,886.57	\$ 163,100.00	\$ 25,213.43	\$ 163,100.00															
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (6,233.54)	\$ 105,462.51	\$ 78,200.00	\$ 27,262.51	\$ 78,200.00															
<table border="1"> <thead> <tr> <th></th> <th>0 - 30 Days</th> <th>30 - 60 Days</th> <th>60 - 90 Days</th> <th>Over 90 Days</th> </tr> </thead> <tbody> <tr> <td>Dues & Fines Outstanding - \$9,918.00 / 4 Homes</td> <td>\$1,052.25 / 3 Homes</td> <td>\$2,461.25 / 3 Homes</td> <td>\$4.50 / 2 Homes</td> <td>\$6,400.0 / 2 Homes</td> </tr> <tr> <td>SHOA / SEHOA MOU - Splits = \$8,091.75</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>							0 - 30 Days	30 - 60 Days	60 - 90 Days	Over 90 Days	Dues & Fines Outstanding - \$9,918.00 / 4 Homes	\$1,052.25 / 3 Homes	\$2,461.25 / 3 Homes	\$4.50 / 2 Homes	\$6,400.0 / 2 Homes	SHOA / SEHOA MOU - Splits = \$8,091.75				
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Dues & Fines Outstanding - \$9,918.00 / 4 Homes	\$1,052.25 / 3 Homes	\$2,461.25 / 3 Homes	\$4.50 / 2 Homes	\$6,400.0 / 2 Homes																
SHOA / SEHOA MOU - Splits = \$8,091.75																				
Reserve Fund																				
Income Statement																				
DECEMBER 2021																				
	DECEMBER 2021	YTD-ACTUAL 2021	YTD-BUDGET 2021	YTD-VARIANCE 2021 Better/(Worse)	BUDGET 2021															
REVENUE and EXPENSE SUMMARY																				
REVENUE																				
	<i>Footnotes</i>	<i>*1</i>		<i>*2</i>																
Special Assessment	\$ 6,825.00	\$ 442,500.00	\$ 445,000.00	\$ (2,500.00)	\$ 445,000.00															
Interest on Capital One - Reserve Account	\$ 126.37	\$ 1,227.00	\$ 800.00	\$ 427.00	\$ 800.00															
TOTAL INCOME	\$ 6,951.37	\$ 443,727.00	\$ 445,800.00	\$ (2,073.00)	\$ 445,800.00															
EXPENSES																				
Misc. and Water Rights	\$ 406.00	\$ 11,161.50	\$ 13,000.00	\$ 1,838.50	\$ 13,000.00															
Water System Infrastructure	\$ -	\$ 115,100.95	\$ 61,000.00	\$ (54,100.95)	\$ 61,000.00															
Irrigation System	\$ -	\$ 13,716.11	\$ 15,000.00	\$ 1,283.89	\$ 15,000.00															
Water Features (Ponds & Waterfall)	\$ -	\$ 3,552.50	\$ 12,000.00	\$ 8,447.50	\$ 12,000.00															
Water System Professional Fees (Ops Manual)	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00															
Hardscape (Fence & Paths & Monuments)	\$ -	\$ 58,892.26	\$ 77,000.00	\$ 18,107.74	\$ 77,000.00															
Softscape (Master Landscape Plan, Trees, Vegetation)	\$ -	\$ 10,289.98	\$ 10,000.00	\$ (289.98)	\$ 10,000.00															
TOTAL EXPENSES	\$ 406.00	\$ 212,713.30	\$ 213,000.00	\$ 286.70	\$ 213,000.00															
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 6,545.37	\$ 231,013.70	\$ 232,800.00	\$ (1,786.30)	\$ 232,800.00															
*1 Value includes \$22,500. of Special Assessment payments received in late 2020.																				
*2 # Homes Paid-in-Full 88																				
# Homes Paid-in 50% 89																				
# Homes Delinquent by 1/2 payment 1																				
10/1/21 was the Due Date																				

Somerset Estates Homeowners Association			
2021 YEAR-END TOTALS AND 2022 PROPOSED BUDGET			
OPERATING FUND			
	Approved	Actual	Proposed
	2021 BUDGET	2021 TOTALS	2022 BUDGET
OPERATING REVENUE			
Homeowner Dues	\$ 240,300	\$ 238,950	\$ 246,975
Violations and Fines		\$ 1,577	
Late Fees/Finance Charges		\$ 112	
Transfer Fee Revenue		\$ 1,500	
Member Service Reimbursement/Fee Recovery		\$ 210	
Miscellaneous Revenue (<i>Water Feature Subsidy</i>)	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL OPERATING REVENUE	\$ 241,300	\$ 243,349	\$ 247,975
OPERATING EXPENSES			
Administrative			
Accounting Fees	\$ 270	\$ 262	\$ 270
Bank Charges & Fees	\$ 60	\$ 12	\$ 20
Business filing Fees	\$ 40	\$ 29	\$ 30
Insurance	\$ 9,000	\$ 7,512	\$ 8,500
Legal	\$ 2,500	\$ 1,260	\$ 8,000
Legal - other (water)	\$ -	\$ -	\$ 1,000
Meeting Expense	\$ 200	\$ 142	\$ 200
Miscellaneous	\$ 1,250	\$ -	\$ 200
Office Expense & Supplies	\$ 250	\$ 165	\$ 200
Postage & Delivery	\$ 480	\$ 454	\$ 500
Printing & Reproduction	\$ 690	\$ 601	\$ 700
Property Manager Fees	\$ 13,800	\$ 13,800	\$ 15,000
Supplemental Property Management	\$ 10,000	\$ -	\$ -
Property Transfer Fee	\$ -	\$ 1,750	\$ -
Storage	\$ 1,200	\$ 1,149	\$ 1,500
Taxes	\$ 60	\$ -	\$ -
Web-site Hosting/Domain/Cloud Storage	\$ 2,300	\$ 4,107	\$ 4,300
Total Administrative	\$ 42,100	\$ 31,242	\$ 40,420
Landscape Maintenance			
Aeration	\$ 588	\$ 588	\$ 600
Clean-up Spring/Fall	\$ 3,032	\$ 3,032	\$ 3,100
Holiday Decoration	\$ 3,000	\$ 2,250	\$ 2,300
Irrigation Maintenance	\$ 20,000	\$ 12,530	\$ 13,000
Lawn Fertilization/Weed Control	\$ 7,700	\$ 7,733	\$ 8,100
Miscellaneous Landscape	\$ 1,500	\$ 1,882	\$ 2,000
Mowing - Irrigated	\$ 14,170	\$ 13,625	\$ 13,630
Mowing - Non-irrigated	\$ 2,010	\$ 2,010	\$ 2,010
Shrub Pruning	\$ 3,440	\$ 1,761	\$ 1,800
Snow Removal	\$ 6,400	\$ 4,436	\$ 5,500
Trash Removal & Dump Fees	\$ 2,000	\$ 3,089	\$ 3,200
Tree Maintenance (<i>Fertilizer & Bug Control</i>)	\$ 500	\$ 780	\$ 800
Tree Trimming and Removal	\$ 12,000	\$ 10,249	\$ 7,000
Gardens/Flowers	\$ 9,700	\$ 9,110	\$ 7,700
Weeding Gardens	\$ 1,860	\$ 1,854	\$ 1,900
Total Landscape Maintenance	\$ 87,900	\$ 74,930	\$ 72,640
Infrastructure Maintenance			
Electrical/Light Maintenance	\$ 630	\$ 2,535	\$ 8,000
Fence Maintenance	\$ 1,000	\$ 1,597	\$ 1,500
Miscellaneous Maintenance	\$ 220	\$ 183	\$ 200
Path/Sidewalk Maintenance	\$ 850	\$ 1,007	\$ 3,100
Pond Maintenance (cattail/reed removal)	\$ 10,000	\$ 7,187	\$ 8,000
Pump Maintenance	\$ 1,000	\$ -	\$ 1,000
Utility Locating	\$ 1,200	\$ 495	\$ 540
Total Infrastructure Maintenance	\$ 14,900	\$ 13,004	\$ 22,340
Water and Utilities			
Electricity	\$ 14,700	\$ 13,884	\$ 17,000
Water - Ditch fees	\$ 500	\$ 4,828	\$ 500
Water - Leased	\$ 3,000	\$ -	\$ 5,000
Total Water and Utilities	\$ 18,200	\$ 18,712	\$ 22,500
TOTAL OPERATING EXPENSES	\$ 163,100	\$ 137,887	\$ 157,900
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 78,200	\$ 105,462	\$ 90,075

Somerset Estates Homeowners Association
2021 YEAR-END TOTALS AND 2022 PROPOSED BUDGET
RESERVE FUND

	Approved 2021 BUDGET	Actual 2021 TOTALS	Proposed 2022 BUDGET
<u>RESERVE REVENUE</u>			
Special Assessment	\$ 445,000	\$ 442,500	\$ 2,500
Transfer from SHOA - one-time	\$ -	\$ 14,125	\$ -
Interest Revenue on Reserve Fund	\$ 800	\$ 1,227	\$ 2,070
TOTAL RESERVE REVENUE	\$ 445,800	\$ 457,852	\$ 4,570
<u>CAPITAL EXPENSES</u>			
Water Rights Management			
Legal - Other			
Water attorney - water asset resolution	\$ 5,000	\$ 11,162	\$ -
Real property attorney - quiet title on outlots	\$ 8,000	\$ -	\$ -
Total Water Rights Management	\$ 13,000	\$ 11,162	\$ -
Water System Infrastructure			
Transfer line from Pond 1 to Pond 2	\$ 40,800	\$ 103,164	\$ 1,000
Upgraded meter on ditches	\$ 7,000	\$ 445	\$ 25,000
Irrigation modifications to separate from SHOA	\$ 6,100	\$ -	\$ 10,000
Pond 1 transfer line pump	\$ 7,100	\$ 11,492	\$ -
Pump house at Pond 1 roof, door, and paint	\$ -		\$ 4,000
Total Water System Infrastructure	\$ 61,000	\$ 115,101	\$ 40,000
Irrigation System			
Irrigation Major Repairs	\$ 15,000	\$ 13,716	\$ 15,000
Total Irrigation System	\$ 15,000	\$ 13,716	\$ 15,000
Water Features (Ponds and Waterfall)			
Pond liner repairs	\$ 12,000	\$ 3,553	\$ 10,000
Total Water Features	\$ 12,000	\$ 3,553	\$ 10,000
Water System Professional Fees			
Water Systems Consulting - Project Planning/Mgmt	\$ 10,000	\$ -	\$ -
Water Systems Other (Operations Manual)	\$ 15,000	\$ -	\$ 12,500
Total Water Systems Professional Fees	\$ 25,000	\$ -	\$ 12,500
Hardscape (Fences, Paths, Monuments)			
Fence Refurbishment and Replacement	\$ -	\$ -	\$ 16,000
Hardscape Refurbishment	\$ 5,000	\$ -	\$ -
Path replacement	\$ 30,600	\$ 58,892	\$ 25,000
Major repairs of entrance monuments at Hwy 52	\$ 23,400	\$ -	\$ 28,000
Major repairs of street monuments	\$ 18,000	\$ -	\$ 27,000
Center island focal lighting at Hwy 52	\$ -	\$ -	\$ 10,000
Other lighting	\$ -	\$ -	\$ 10,000
Total Hardscape	\$ 77,000	\$ 58,892	\$ 116,000
Softscape (Master Plan, Trees, Vegetation)			
Master Landscape Plan	\$ 10,000		\$ -
Cyclical Landscape Refurbishment	\$ -	\$ 10,290	\$ 5,000
Total Softscape	\$ 10,000	\$ 10,290	\$ 5,000
TOTAL CAPITAL EXPENSES	\$ 213,000	\$ 212,713	\$ 198,500
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 232,800	\$ 245,139	\$ (193,930)