

**Minutes of Meeting of the Executive Board of
Somerset Estates Homeowners Association (SEHOA)
January 16, 2024
Mountain View Fire Station and via Zoom**

- 1. Call to Order and Quorum** - The meeting was called to order at 6:35 PM. Quorum met for Executive Board meeting with Scott Abrahamson (SA), Anthony Chirikos (AC), Paula Hemenway (PH), Steve Lehan (SL), and Tim Koller (TK) present.

Property Manager present – Al Orendorff (AO)

ACC member present – Larry Becker (LB)

Homeowners present – Danny Lindau and Herb McPherson

- 2. Approve Prior Meeting Minutes** – MOTION to approve minutes from the Meeting of the Executive Board on December 19, 2023 made by TK, seconded by SL, no further discussion, approved unanimously.
- 3. Architectural Control Committee (ACC) Update** – TK commented on the process to finalize the revisions to the Architectural and Landscaping Standards including that he had a productive meeting with Larry Becker, Chair of the ACC. Discussion to clarify the ACC’s preference on some details with LB. PH to collect all comments and discussion from the meeting into a final draft. LB to circulate to the ACC members with a request for final comments by January 31, 2024. The final draft will be published to the homeowners in What’s Up in early February for comments prior to a Board vote to adopt at the February 20 meeting.
- 4. Treasurer’s Report** – Report for December 2023 is attached.
- 5. Property Manager’s Report**

Irrigation: GTL delivered the operations manual before the end of 2023. PH has analyzed the 2023 water use report provided by GTL. The total water usage out of pond 1, plus the water to fill pond 1 and replace evaporation, was 39 AF for SEHOA and 14.5 AF for SHOA, for a total of 53.5 AF. Of this, 20 AF was from river run, which is not counted against water owned or leased. Due to a wet season, river run lasted longer than usual (to August 12). Accounting for all water sources from the ditch (river run, stored/owned, and leased water), the total supply was 53.5 AF, which is remarkably close to the 53.3 AF of known use. This says that the new meters out of the ditch have made a huge difference in ensuring that we get all the water due (compared to an estimated 50% in prior years with the inaccurate weir system) and that we have eliminated leaks in pond 1 with the new liner. PH has provided SHOA with the water demand information and asked for SEHOA to be repaid for 4.3 AF of leased ditch water, which amounts to 6 shares as only SEHOA leased water in 2023.

Landscaping: GTL has removed the junipers on the west side of pond 2. The roots, etc. still need to be cleaned up. They also cleared the drain gutter and pipes of pine needs below the tennis courts. This should be an annual maintenance item. The cleanup between ponds 8 and 9 will be done next.

Trees: 3D Tree has completed all pruning.

Ponds and Waterfall: Dubs has looked at pond 2 and is preparing an estimate to patch. It is uncertain where the leaks are, but most likely on the north end near the wet well. Ryan Quackenbush of GTL is working on a cost to remove more vegetation from the waterfall and from the stream between ponds 2 and 3.

6. **Pond 3/Waterfall renovation** – We have the final report from Engineering Analytics that confirms it is feasible to repurpose the pond 3 area to a conveyance stream and no dissipation structure is needed. We have budget costs from M&B Pond & Lagoon for three options for the pond 3 area, but this was received too late to discuss at this meeting. The next steps are to get further information on the options and then develop a master landscape plan that includes showing the elevation from the streets. This will only be for the pond 3 area and not the waterfall pumps. While the report says that it is also possible to install a localized pump for the waterfall if that becomes necessary, there is general agreement by the Board to replace the two worn out waterfall pumps located near pond 7.
7. **Highway 52 Entrance Project** – Lisbeth Lehan has collected feedback from the Committee and Board and provided it to Matt Fisher, landscape architect. Matt is working on the details for the design at Highway 52. The design for the Longview Drive entrance is on hold until we finalize the main entrance.
8. **2024 Draft Budget:** AC and PH have prepared a draft budget for discussion, as well as a new long-range plan. Board discussion of line items in the draft budget, including plan to budget all irrigation maintenance, whether or not to the mainline, as an operating expense as these costs occur annually. Likewise with pond liner repairs. Capital expenses are those that are expected to occur infrequently. SEHOA’s financial position is strongly dependent on the timing and cost of major capital expenses, especially if pond 2 and/or pond 7 require complete relining. Discussion of whether to deal with such expenses when they occur by a special assessment or whether to raise annual dues by a higher percentage to build enough reserves to likely cover major expenses when they occur. General agreement that we should increase dues to build reserves. The \$5000 per lot special assessment collected in 2022 has all been spent on deferred maintenance capital expenses. A draft budget will be published in What’s Up in early February with an invitation for homeowner comment before the budget is approved by the Board at the February meeting.
9. **Annual Meeting Planning** – Decision to hold the Annual Meeting on Tuesday, March 26, 2024. Meeting will include a Budget Meeting to ratify the 2024 budget. TK may be able to have it at his home.
10. **Other Business** – None.
11. **Member Open Forum** – None.
10. **Next meeting** – February 20, 2024, at 6:30 PM at Mountain View Fire Station.
11. **Adjourn** - The meeting adjourned at 8:30 PM.

Paula Hemenway

Paula Hemenway, Secretary
January 18, 2024

Somerset Estates Homeowners Association - Treasurer's Report
Operating and Reserve Fund(s)
Liquidity and Summary Income Statement
December 2023

LIQUID ASSETS AND SHORT-TERM INVESTMENTS			
As of end of December, 2023			
	Operating Fund	Reserve Fund	Total
ASSETS			
Operating/Checking Account			
FirstBank	\$9,265	\$0	\$9,265
Investment/Reserve Account			
Liquid Assets Account	\$0	\$86,646	\$86,646
6-Month CD	\$0	\$83,672	\$83,672
12-Month CD	\$0	\$208,230	\$208,230
Total Reserve Accounts	\$0	\$378,548	\$378,548
TOTAL ASSETS	\$9,265	\$378,548	\$387,813

Expiry	Interest Rate	Reporting Freq
n.a.	Varies (0-2.5%)	Monthly
12/29/23	5.50%	Half Year
1/2/24	4.00%	Quarterly

Statement of Revenues, Expenses, and Changes in Reserve Balance						
	Month of December, 2023			YTD December, 2023		
	Operating Fund	Reserve Fund	Total	Operating Fund	Reserve Fund	Total
REVENUES						
HOA Dues	\$2,250	\$0	\$2,250	\$256,519	\$0	\$256,519
HOA Violations & Fines / Late Fees	\$0	\$0	\$0	\$120	\$0	\$120
Special Assessment	\$0	\$0	\$0	\$0	\$0	\$0
Transfer Fees	\$0	\$0	\$0	\$750	\$0	\$750
Miscellaneous Income (Pond 7 Surcharges)	\$0	\$0	\$0	\$0	\$0	\$0
Interest Income	\$0	\$4,289	\$4,289	\$0	\$13,493	\$13,493
TOTAL REVENUES	\$2,250	\$4,289	\$6,539	\$257,389	\$13,493	\$270,883
EXPENSES						
Administrative	\$1,397	\$0	\$1,397	\$33,700	\$0	\$33,700
Landscape Repair & Maintenance & Enhancement	\$9,889	\$0	\$9,889	\$83,648	\$0	\$83,648
Lights & Fence & Path & Pond Maintenance & Repair	\$308	\$0	\$308	\$13,805	\$0	\$13,805
Water & Utilities	\$2,670	\$0	\$2,670	\$19,651	\$0	\$19,651
Water System Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0
Irrigation System (Major Repairs)	\$0	\$0	\$0	\$0	\$6,316	\$6,316
Pond Major Repairs (Liners, etc)	\$0	\$0	\$0	\$0	\$87,354	\$87,354
Pond 3 Reengineering - Feasibility Study	\$0	\$6,066	\$6,066	\$0	\$6,066	\$6,066
SEHOA Irrigation System - Operations Manual	\$0	\$12,500	\$12,500	\$0	\$12,500	\$12,500
Hardscape	\$0	\$2,855	\$2,855	\$0	\$32,986	\$32,986
Hwy 52 Landscaping Plan	\$0	\$2,500	\$2,500	\$0	\$2,500	\$2,500
Softscape	\$0	\$0	\$0	\$0	\$17,052	\$17,052
TOTAL EXPENSES	\$14,263	\$23,921	\$38,184	\$150,804	\$164,774	\$315,578
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(\$12,013)	(\$19,632)	(\$31,645)	\$106,585	(\$151,280)	(\$44,695)
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TRANSFER BETWEEN OPERATING FUND and RESERVE FUND	\$0	\$0	\$0	\$25,000	(\$25,000)	\$0

Total Funds
Income Statement
December 2023

	Month	Year-to-Date			Budget
	Actual	Actual	Budget	Better/ (Worse)	2023 (APPROVED)
REVENUE and EXPENSE SUMMARY					
REVENUE					
HOA Dues	\$2,250	\$256,519	\$262,550	(\$6,031)	\$262,550
HOA Violations, Fines and Late Fees	\$0	\$120	\$0	\$120	\$0
Transfer Fees	\$0	\$750	\$0	\$750	\$0
Interest Income	\$4,289	\$13,493	\$12,000	\$1,493	\$12,000
TOTAL REVENUES	\$6,539	\$270,883	\$274,550	(\$3,667)	\$274,550
EXPENSES					
Administrative	\$1,397	\$33,700	\$38,130	\$4,430	\$38,130
Capital Expenses	\$23,921	\$164,774	\$186,500	\$21,726	\$186,500
Landscape Repair & Maintenance & Enhancement	\$9,889	\$83,648	\$88,650	\$5,002	\$88,650
Lights & Fence & Path & Pond Maintenance	\$308	\$13,805	\$25,700	\$11,895	\$25,700
Water & Utilities	\$2,670	\$19,651	\$19,850	\$199	\$19,850
TOTAL EXPENSES	\$38,184	\$315,578	\$358,830	\$43,252	\$358,830
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(\$31,645)	(\$44,695)	(\$84,280)	\$39,585	(\$84,280)
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	\$127	\$177	\$0	\$15,989	\$16,293
# of Lots	3	3	0	3	3