

**Minutes of Meeting of the Executive Board of
Somerset Estates Homeowners Association (SEHOA)
March 12, 2019
Niwot Fire Station, CO**

1. **Call to order** - The meeting was called to order at 6:34 PM.
2. **Quorum** - Quorum met for Executive Board meeting with Marc Arnold (MA), Paula Hemenway (PH), Kip Sharp (KS), and Anthony Chirikos (AC). Susan Reilly was absent.

ACC member in attendance – Larry Becker
Homeowner in attendance – Herb McPherson

3. **Approval of Prior Meeting Minutes** - The minutes from the Executive Board meeting on February 27, 2019 were unanimously approved with a motion from AC, seconded by PH.

4. **Approve Revised 2019 Architectural and Landscaping Standards –**

In preparing the final version of the proposed Standards for Board approval, the ACC considered all comments received from homeowners, as well as the results of the survey provided to homeowners with the draft A & L Standards. Homeowners were provided with a summary of the survey results and comments prior to this meeting. A more detailed explanation of the view corridor section compared to earlier versions will be posted on the website.

Motion to approve the revised 2019 Architectural and Landscaping Standards as proposed by the ACC made by PH, seconded by AC, approved unanimously.

Discussion about plans to bring neighborhood into compliance with the revised Standards. Larry Becker said that the ACC will be more proactive in seeking compliance and expects to look at homes in sections later this year. Will take a measured approach and encourage cooperation as a first step.

5. **Discussion Draft ACC Review Policy –**

Article 7.6 of the Declaration specifies that homeowners may request a review of ACC decisions according to rules and procedures approved by the Board. MA drafted proposed rules that have been circulated to the ACC. Discussion held about the draft. The board's intent is not for it to act as a "second ACC" if a homeowner disagrees with an ACC decision, but rather to focus on the process and whether the Standards adequately address the proposed improvements. Various suggestions were made, and Larry Becker will review with the ACC and make suggestions to the Board for a final version to be approved at a later date.

6. Water Committee Update –

Discussion of draft Tolling Agreement given to SHOA in late February that would “stop the clock” for up to two years to provide both HOAs the opportunity to work through the issues without litigation. We’d like to execute this as soon as possible as getting close to two year anniversary of court order (May 31, 2019).

Motion to delegate authority to Marc Arnold to work with John Ryan, chairman of Water Committee, to finalize the Tolling Agreement and execute it in a form substantially similar to the draft that was presented at this meeting made by AC, seconded by KS, approved unanimously.

Water Committee is considering two water engineering company proposals (Applegate and TZA Engineers) and expects to make a recommendation within the next two weeks. Al Orendorff, Property Manager, commented that he has worked with TZA before and they are good.

- 7. Property Manager’s Report –** Winter pruning and small tree removal is complete. Sidewalk repair done by Boulder County has been helpful to the snow plowing company. Al will ask Xcel Energy to look at the broken electrical line to the Strawberry Lane street sign lights. Al has three LED up lights that he will try on the Somerset Estates monuments coming up Longview Drive – he will look for one more so there are two on each sign. He is almost finished with a recommended maintenance list. Tax return for 2018 is complete, signed by AC. Al will give Sue Grampp, SHOA President, two signed copies of Amendment #1 to the 2019 MOU between SHOA and SEHOA Regarding Continuing Services to cover the assessments for the C-BT water that was omitted from the MOU in error.

8. Treasurer’s Report –

Cash in Capital One reserves account = \$130,380

Cash in Bank of the West operating account = \$21,837

Balance sheet and income statement are attached. A few adjustments were made in AppFolio categories to better match approved budget. The \$1079.01 under Misc Admin and the \$3699.62 under Misc Landscape Mtce are both payments to SHOA for December 2018 expenses. Starting in 2019, far fewer expenses will be paid to SHOA, so less effort will be needed to split up these payments into various expense categories. Total amount owed to SHOA for January and February 2019 is \$2544. Al is authorized to give these checks to SHOA upon signing of the Amendment #1 to the 2019 MOU.

9. Annual Meeting Plan and Presentation –

Al Orendorff noted that the agenda for the Annual Meeting should include how proof of notice was accomplished and approval of the minutes from the March 20, 2018 formation meeting. These minutes were mailed to homeowners with the meeting notice.

MA reviewed the agenda and draft presentation slides. As of March 12, five candidates have submitted statements. These five names will be on a printed ballot, with blanks in case anyone asks to be on the ballot at the meeting.

10. Other Business – None.

11. Member Open Forum – No discussion.

12. Next meeting – Annual Homeowner Meeting, March 19 at 7 pm at Niwot High School.

13. Next Executive Board Meeting – March 26 at 6:30 pm at Niwot Fire Station. This meeting will be of the newly elected board. We will miss Anthony Chirikos, Susan Reilly, and Kip Sharp, and greatly appreciate all the effort they put into this first year of SEHOA.

14. Adjourn - The meeting adjourned at 9:17 PM.

A handwritten signature in cursive script that reads "Paula Hemenway".

Paula Hemenway
March 14, 2019

Treasurer's Report – February 2019

Balance Sheet

Properties: Somerset Estates Homeowners Association - PO Box 621 Niwot, CO 80544

As of: 02/28/2019

Accounting Basis: Cash

Level of Detail: Detail View

| Account Name | Account Number | Balance |
|--|----------------|-------------------|
| ASSETS | | |
| Cash | | |
| OPERATING CASH | | |
| Operating Fund | 1165 | 21,837.11 |
| Total OPERATING CASH | | 21,837.11 |
| RESERVE ACCOUNTS | | |
| Reserves: SEHOA Reserve acct | 1391 | 130,379.55 |
| Total RESERVE ACCOUNTS | | 130,379.55 |
| Total Cash | | 152,216.66 |
| TOTAL ASSETS | | 152,216.66 |
| | | |
| LIABILITIES & CAPITAL | | |
| Liabilities | | |
| ACCOUNTS PAYABLE | | |
| Prepaid Assessments | 2025 | 7,650.20 |
| Security Clearing | 2999 | 275.00 |
| Total ACCOUNTS PAYABLE | | 7,925.20 |
| Total Liabilities | | 7,925.20 |
| Capital | | |
| Capital Stock | | |
| Reserve Equity | 3030 | 125,391.00 |
| Total Capital Stock | | 125,391.00 |
| Calculated Retained Earnings | | 12,817.35 |
| Calculated Prior Years Retained Earnings | | 6,083.11 |
| Total Capital | | 144,291.46 |
| TOTAL LIABILITIES & CAPITAL | | 152,216.66 |

Income Statement

Trio Property Management

Properties: Somerset Estates Homeowners Association - PO Box 621 Niwot, CO 80544

As of: Feb 2019

Accounting Basis: Cash

Level of Detail: Detail View

| Account Name | Account Number | Selected Month | Year to Month End |
|---------------------------------------|----------------|------------------|-------------------|
| Operating Income & Expense | | | |
| Income | | | |
| ASSOCIATION INCOME | | | |
| HOA Dues | 4010 | 6,025.00 | 56,025.00 |
| Late Fees/Finance Charges | 4145 | 360.00 | 460.00 |
| Legal & Prof Fee Recovery | 4150 | 1,050.00 | 1,050.00 |
| Transfer Fee Income | 4155 | 400.00 | 400.00 |
| Miscellaneous Income | 4165 | 500.00 | 500.00 |
| Total ASSOCIATION INCOME | | 8,335.00 | 58,435.00 |
| Total Operating Income | | 8,335.00 | 58,435.00 |
| Expense | | | |
| ADMINISTRATIVE | | | |
| Insurance | 6070 | 1,585.32 | 1,585.32 |
| Legal - Other | 6086 | 5,000.00 | 5,000.00 |
| Meeting Expense | 6100 | 0.00 | 125.35 |
| Misc. Admin. | 6105 | 1,079.01 | 1,079.01 |
| Postage and Delivery | 6125 | 155.40 | 155.40 |
| Printing and Reproduction | 6130 | 390.65 | 650.27 |
| Property Management Fee | 6140 | 1,075.00 | 2,150.00 |
| Total ADMINISTRATIVE | | 9,285.38 | 10,745.35 |
| LANDSCAPE MAINTENANCE | | | |
| Misc. Landscape Mtce | 6895 | 3,699.62 | 3,699.62 |
| Total LANDSCAPE MAINTENANCE | | 3,699.62 | 3,699.62 |
| MAINTENANCE | | | |
| Utility Locating | 7175 | 92.83 | 92.83 |
| Total MAINTENANCE | | 92.83 | 92.83 |
| REPAIRS | | | |
| Electrical Repair | 7520 | 455.76 | 455.76 |
| Fence Repair | 7525 | 35.78 | 35.78 |
| Irrigation Repair | 7530 | 63.87 | 63.87 |
| Lighting Repair | 7535 | 238.37 | 238.37 |
| Total REPAIRS | | 793.78 | 793.78 |
| UTILITIES | | | |
| Electric | 7810 | 632.74 | 632.74 |
| Total UTILITIES | | 632.74 | 632.74 |
| Total Operating Expense | | 14,504.35 | 15,964.32 |
| NOI - Net Operating Income | | -6,169.35 | 42,470.68 |

Income Statement

| Account Name | Account Number | Selected Month | Year to Month End |
|--|-----------------------|-----------------------|--------------------------|
| Other Income & Expense | | | |
| Other Income | | | |
| INTEREST INCOME | | | |
| Interest Income - other | 8005 | 176.75 | 346.67 |
| Total INTEREST INCOME | | 176.75 | 346.67 |
| Total Other Income | | 176.75 | 346.67 |
| Other Expense | | | |
| Non Operating Cash Requirements | | | |
| Non Operating Cash Requirements:Transfer TO Reserves | 9010 | 30,000.00 | 30,000.00 |
| Total Non Operating Cash Requirements | | 30,000.00 | 30,000.00 |
| Total Other Expense | | 30,000.00 | 30,000.00 |
| Net Other Income | | -29,823.25 | -29,653.33 |
| Total Income | | 8,511.75 | 58,781.67 |
| Total Expense | | 44,504.35 | 45,964.32 |
| Net Income | | -35,992.60 | 12,817.35 |