

**Minutes of the Budget and Annual Meetings of Homeowners
Somerset Estates Homeowners Association (SEHOA)
March 26, 2024
6511 Primrose Lane, Niwot and by Zoom Conference**

1. Call to Order and Quorum

The meeting was called to order at 7:05 PM. The meeting was held in person at the home of Tim and Melissa Koller, 6511 Primrose Ln, Niwot and available by video conference (Zoom). Twelve Lots were represented in person, and 15 Lots were represented by proxy (7 naming Steve Lehan, 1 naming Allan Orendorff, 1 naming Scott Abrahamson, 1 naming Barb Stager, 1 naming Paula Hemenway, 1 naming Tim Koller, and 3 for quorum only). The 27 Lots present in person or by proxy out of 89 in Somerset Estates represent 30%, establishing a quorum of at least 20%. Four homeowners participated in the meeting by Zoom.

2. Ratification of 2024 Budget

The proposed 2024 budget as approved by the Executive Board on February 20, 2024 was mailed to all Members along with the meeting notice.

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**

The proposed budget was presented by Anthony Chirikos, SEHOA Treasurer. It sets the 2024 annual assessment per Lot at \$3,225 (\$750 in Q1 and \$825 in Q2-Q4). Because the proposed 2024 annual assessment is not greater than 110% of the 2023 annual assessment of \$2,950 per Lot, the budget is ratified unless a majority of all Members (meaning 45 Members) vote to reject the budget. Discussion that the Board should make sure that future dues increases are sufficient to cover expected increases in expenses and to build reserves for capital projects.

MOTION to ratify the 2024 budget made by Melissa Koller, seconded by George Dancik, no further discussion, approved unanimously by voice vote.

3. Proof of Notice and Approval of March 28, 2023 Meeting Minutes

The Annual Meeting Notice was mailed to all Members on February 29, 2024 and signs announcing the meeting were posted in the neighborhood. The minutes of the Annual Meeting held on March 28, 2023 were included in the mailing to Members. MOTION made by Melissa Koller to approve these minutes, seconded by George Dancik, no discussion, approved unanimously by voice vote.

4. Update by Current Board

2023 Year in Review

The Executive Board members presented the major accomplishments and activities over the past year. The full presentation is posted on somersetstates-hoa.com under Library>>2024 File Downloads. The following accomplishments were highlighted:

- Water infrastructure accounts for 25% of operating expenses and 67% of capital expenses. Water demand in 2023 was 39 AF, which was met by a combination of “river run” (free water at the start of the season), owned water, and leased water. Due to the improvements in the ditch metering system, the total water used by SEHOA and SHOA now matches the amount taken from the ditch, a huge improvement over prior years when we were only receiving about half of the water we were due.
- Improved Common Areas:
 - Rebuilt Pond 1 in SHOA (cost split with SHOA 50/50).
 - Repaired and stained fence along path on north side of subdivision.
 - Repaired stucco behind the street monuments and tuckpointed masonry.
 - Repaired sod in several locations and replaced non-thriving grass with rock along Somerset Dr.
 - Completed water system operations manual.
 - Began landscape architect work on entrance at Highway 52.
 - Conducted engineering feasibility study for area around Pond 3.
 - Decided not to proceed with Niwot Loop Trail across Somerset Dr.
- Improvements planned for 2024:
 - Major repair of Pond 2 (underway).
 - Update lighting and landscaping at Hwy 52 entrance – in process of reviewing scope and getting bids.

- Develop plan for Pond 3 area (near the waterfall) and complete earthwork portion. Two general options were presented: 1) replacing Pond 3 with a stream feeding a smaller pond along with a landscaped area or 2) replacing Pond 3 with a stream between Pond 2 and the waterfall basin along with a larger landscaped area. Comments from homeowners at the meeting included:
 - Either option is acceptable.
 - Consider xeriscaping.
 - Consider safe walkways.
 - Avoid leading people to park on Primrose Ln.
 - Avoid making this a gathering spot at night for kids, etc.
- The Board updated the Long-Range Planning Model (LRP). Between 2019 and 2023, we have spent \$660,000 on capital projects. The special assessment in 2022 was \$445,000. The remainder is funded by annual dues in excess of operating expenses. With no additional special assessment, but dues increases of at least inflation, the financial position is expected to steadily improve, barring any accelerated major expenses. The LRP will be regularly updated. It was suggested that we continue to increase dues at a rate that is higher than inflation to help build reserves.
- Nothing new has happened with respect to the subdivision roads, which are outside the responsibility of SEHOA. A homeowner reported that Autumn Ridge subdivision off Longview Dr has obtained estimates that are in the range of \$40,000 per house to replace those roads.
- Updates were approved to four governing documents: 1) Reserve Fund Investment Policy; 2) Rental Rules; 3) Collection Policy; and 4) Architectural and Landscaping Standards. All current versions are posted on the website.
- The main goal of the Architectural Control Committee (ACC) is to maintain and improve the value of homeowner property in Somerset Estates. Work in 2023 included:
 - Approved 38 project requests, 15% for landscape plantings, 35% for major yard structure installations, and 50% for exterior major home improvements.
 - Continued the maintenance compliance program to maintain strong curb appeal with pruned vegetation and well-maintained yards and structures.
 - Continued mediation process for voluntary re-opening of mountain views to ensure long-term value to homeowners while balancing reasonable privacy needs of neighbors.
 - Proposed revisions to the Architectural and Landscaping Standards, which were approved by the Board on March 19, 2024.
- The Social and Welcome Committee hosted a party in September 2023 at the home of Mark and Diane Jensen. Various social groups are active (Book Club, Mah Jong, and Poker). Thanks to Tim and Melissa Koller for hosting the 2024 Annual Meeting and social immediately preceding it.

5. Statements from Candidates for the Board and Candidate Q&A

SEHOA's five Executive Board members serve staggered terms, so each year there are either two or three vacancies. The terms of Scott Abrahamson and Anthony Chirikos came to an end as of this meeting. The terms of Paula Hemenway, Tim Koller, and Steve Lehan extend another year, ending in March 2025. Anthony Chirikos and Jon Gillespie-Brown previously agreed to be candidates for election. They introduced themselves and offered to answer questions. As explained in the meeting notice, any

additional candidates were asked to state their interest by March 22 as a contested election requires a vote by secret ballot. No additional candidates came forward by that date. Scott Abrahamson asked for nominations from the floor, and none came forward.

6. Executive Board Election

Because the Board election was non-contested, a secret ballot was not required. MOTION to elect Anthony Chirikos for a two-year term ending March 2026 made by Melissa Koller, seconded by Kamla Chopra, no further discussion, approved unanimously by voice vote. MOTION to elect Jon Gillespie-Brown for a two-year term ending March 2026 made by Melissa Koller, seconded by John Klein, no further discussion, approved unanimously by voice vote. The Members thanked Scott Abrahamson for serving as President over the past three years and for previously serving on the ACC.

7. Member Open Forum

Barbara Stager requested pruning of the trees overhanging the street at the corner of Longview Dr and Bellflower Ct.

8. Adjourn

The meeting was adjourned at 9:07 PM.

Paula Hemenway
SEHOA Secretary
April 9, 2024