

**Somerset Homeowners Association
DRAFT -Board Meeting Minutes
Thursday January 12, 2012**

Board Members: Mike Atkins, Dave Edwards, Ajay Sreenivas

Property Manager: Al Orendorff

Landscape: Garret Quackenbush

Community: Loren Burnett

ACC: Not Represented

Meeting Started: 6:50 PM

Minutes: December 2011 Minutes, 2011. – Not approved – Deferred to February Meeting.

Manager's Report

The property manager added to the written report that blast emails were sent out in December regarding two lost dogs and one lost cat. All animals were found and returned to their owners.

Manager's report is shown below:

Property Manager's Report

January 9, 2012

Operating Account bank balance: = **\$10,077.34** as of December 31, 2011, - **\$25,564.47** as of January 7, 2012.

Accounts receivable: = **\$ 68,687.00** as of December 31, 2011, and **\$45,757.00** as of January 7, 2012.

Defense Account as of December 31, 2011= **\$20,135.36**

Reserve Account as of December 31, 2011= **\$27,384.19**

Using comparative analysis of expenses and income to the end of December between 2010 and 2011, we managed to reduce expenditures by \$36,214.58. When compared to the revised budget, we are \$12,050.82 under budget in expenses for the year.

We currently have liens placed on 4 properties within the development and legal has been copied. It appears as though two of these may be resolved in January. It is anticipated that the Strawberry and Coralberry properties will be brought current within the next 30-45 days.

2011 marks the largest number of property transfers since 2006 as 11 properties were transferred in 2011.

Landscape:

Ponds & Waterfalls: - No further work can be done here until next year when the ditch starts running again.

We have completed approximately 65% of the tree work as a result of the October 26th snow storm. The debris was cleaned up and the arborists removed all loose and hanging limbs. We still need to remove all broken and damaged limbs from the trees. That work is scheduled to be completed in February.

Rock Solid was selected to handle the landscape work for the association in 2012. A contract for both landscaping and snow removal has been signed. Snow removal will be done on the sidewalks only once the snow depth reaches 2". In an effort to control snow plowing expenses, snow plowing will not be done until after the snow has stopped falling.

Member Contacts:

A few members called regarding the lack of seasonal decorations, ground lights at Hwy 52 entrance not repaired, and inquiring when snow removal will be done.

**Treasurer's Report
December 2011**

January 12, 2012 Meeting

December income was \$1,369 and expenses \$24,631 with a net income of - \$23,262.

Year-to-date	Actual	Budget	Variance	% of Budget
Income	217,933	219,400	-1,767	99.2
Expenses	207,228	219,279	-12,051	94.5
Net Income	10,704	421	10,283	2,542.6

Accounts receivable are -\$25

A/R (HOA dues) >90 days total \$11,580

Liens totally \$11,757 have been placed on these properties.

Bank balance is \$10,077

Defense Fund is \$20,135

Reserve Fund \$27,384

The Manager's report includes a comparison of 2010 vs. 2011 financials that details significant changes.

David L. Edwards, Treasurer

Motion to Approve Treasurer's Report: Ajay Sreenivas, 2nd Mike Atkins - Approved

Landscape Report: - Garrett Quackenbush

All planned landscape activity is on hold for the winter and will start up again in the spring. The irrigation clock system will be evaluated in an attempt to cycle the irrigation system off for a day or two each week. It is estimated by the property manager that adjusting the clocks and totally switching off the system will save 20% or more on our energy expenses.

ACC Report: - No ACC representative present.

Secretary Resignation: - Milena Smith the secretary for the SHOA has notified the board that she needed to resign her position for personal reasons. The board has formally accepted her resignation.

2012 Budget: - Motion to approve the 2012 budget as emailed to the board January 6, 2012. Motioned by Mike, 2nd by David Edwards - Approved

The board has requested that we transfer \$2,000 from the operating account to the reserve account monthly.

Water Shares:- We have the opportunity to bid on 6 water shares of Boulder & White Rock Ditch Company. The shares only become available when an owner wishes to sell, and the HOA will need to submit a blind bid if they wanted the shares. Currently the SHOA does not have enough shares to support the on-going irrigation of the development. We can bid on one or all of the 6 shares. The Board discussed the possibility and is concerned about taking funds from the reserve to pay for these. The HOA has existing water shares and the Board would like to see if water shares can be listed on the balance sheet as an asset. Earlier in the year, the property manager discussed listing water shares as an asset and was told that it could not be done for the shares contributed by the declarant. The property manager was asked to investigate this further with our accountant and if necessary, set up a meeting with the treasurer and president.

Boulder County Paving: - David Edwards advised that the NCA (Niwot Community Association) is working with Boulder County to develop a PID (Public Improvement District) instead of an LID (Local Improvement District) to handle paving in the subdivisions within Niwot. A PID will affect

all residents based on the current mil rate, whereas a LID would equally distribute the cost on a per house basis. Therefore, the PID will NOT be equally shared by all residents. David believes that the PID would unfairly tax the residents of Somerset. David has already had preliminary discussions with Dick Piland and would like to have Mr. Piland attend the annual meeting to inform the membership of their plans and associated cost.

The property manager suggested that if the County representative were to attend the SHOA Annual Meeting that we will need to change the location of the meeting. The property manager will research larger facilities to hold the February 16th meeting.

David Edwards committed to get more information by January 27th so that better detail can be provided in the annual notice letter to the membership.

The annual meeting will require a notification letter to be sent out to the membership no later than February 3rd. Mike Atkins will work on the letter along with a presentation. The property manager will arrange the proxy and ballot.

Community Input: - Loren Burnett commented that he was surprised by the lack of holiday decorations and the entrance lights not working at the Hwy 52 entrance. He is concerned that Somerset is competing with other neighborhoods and wanted to know why something cannot be done.

The board explained there are several issues and multiple projects the HOA can work on. Since the board was unable to secure the necessary votes for a dues increase, the board has no choice but to live within the current revenue structure. Given that the HOA does not have the ability to do a special assessment for unanticipated or emergency repairs, the board has determined that the current reserves is inadequate, therefore; the board is working to a) reduce expenses and b) increase the reserve level. As indicated in the 2012 budget, the HOA is planning to add \$24,000 to the reserves in 2012, bringing the total reserves to approximately \$50,000.

8:40 - Motion to adjourn: - David Edwards, 2nd Ajay Sreenivas - Approved