

**WOODEN CANOE
BOARD OF DIRECTORS MEETING
JANUARY 2, 2010**

MINUTES

1. **Call to Order.** The meeting was called to order at 2:35 p.m.
2. **Affirmation of Attendance and Quorum.** All Board members were in attendance (Jim Hafemeister, Pat Wallace, Jack Schiller, Charles Williams, and Dodie Davies). A quorum was established.

Representing Mountain Managers were Phil Wells and Judy Freese (via phone).

3. **Minutes from the 12/11/09 Board Meeting.** The minutes will be revised to reflect a change in the effective date for the dues increase. The \$15 per unit per month increase will be effective 4/1/10 instead of 2/1/10. The 2010 operations budget will be revised. Minutes were approved by Board President Jim Hafemeister with this change.

4. **Repair and Maintenance Report.**

Phil read through the 5 items on the report covering the period of 12/08 through 11/09. Included were reimbursing Charles Williams for Christmas lights, reimbursing Pat Wallace for the pond pump rebuild and Sonar to kill vegetation in the ponds, rental of the tent, tables, and chairs for the annual picnic, spraying trees for Mountain Pine Beetle, and reimbursement to Pat Wallace for pond expenses.

A question was asked about the effectiveness of tree spraying. Phil explained that while there is no guarantee for the long term, spraying seems to be working and is considered a preventive measure.

5. **Financial Report.**

November financials, the 2010 operational budget, and MCR were reviewed. It was noted that one of the three delinquencies listed on the November financials was paid in December (578WD). The other two are minor (\$355 total).

There was some discussion on one lot (#48) that may be grandfathered for a bed and breakfast. If the lot is sold, would this clause carry over? Phil stated that if the clause cannot be removed, the HOA might consider purchasing the lot, removing the clause, and then selling. The covenants will be checked and this will be discussed at the next Board meeting. It was noted that the owner is interested in selling but is not actively marketing the lot at this time.

For the most part, expense items were under budget. Utilities were slightly over (it has been extremely cold). Overall, the HOA is \$8,578 under budget through 11 months on expenses with a net profit of \$10,995. It is hoped that at the end of the year there will be enough surplus to pay for the pumps. Significant savings were seen on water, ponds, and grounds. Pat noted that chemicals are being purchased in advance (\$1,700 hit the budget last month but all chemicals have been purchased for the coming year). It was noted that pond expense was based on past actuals but they are actually getting cheaper to operate. The pump expense has not hit the financials this year but will be shown on next year's financials. Pat also noted that the back flow preventer that was replaced (\$800) has not yet been paid for. The contractor has disappeared without submitting an invoice. Pat has attempted to call but has had no response. The decrease in grounds expense may be partially due to the change in the management agreement from "pay as you go" to full service.

Pat talked about the dumpster enclosure. He obtained a second bid that came in at \$60,000. He contacted his original contractor and his \$31,000 bid still holds. Pat is still willing to pay \$15,000 to get the new dumpster enclosure done as soon as possible.

Other projects upcoming in 2010 include planting of trees/mulching/rock (\$4500), staining exterior posts (\$1250), and staining perimeter fence (\$5163). The bid for perimeter fence staining is now \$2,900. This will be verified to make sure that amount covers everything that needs to be done.

The reserve balance at the end of 2010 will be \$50,000 (not including dumpster enclosure and the \$10,000 spent on pond pumps this year). Looking ahead to future projects the reserve fund is not keeping up. The dues increase will increase funds by \$7,425 in 2010 (9 months) and \$9,900 in future years. In order to be 100% funded the HOA would need to increase its annual reserve contribution to \$25,000. No one is 100% funded and Wooden Canoe is doing well in funding reserves including the new dumpster enclosure and pumps. Pat noted that the pump in the back pond had never been replaced. The front pond pump will be changed to a similar pump and hopefully, this will preclude frequent pump replacements. Pond pumps are on the MCR for 2017 at \$39,000. Asphalt/seal coating is scheduled for 2011. Options are still being looked at. The Board feels that something like chip seal may save money in the long run and more information is being obtained. It may be possible to tag on with the Town when they chip seal if the cul-de-sacs can wait that long. In the meantime, crack filling will continue while alternatives to seal coating are being explored.

It was noted that inflation will probably be noticeable in the near future. Phil stated this will increase interest rates. The Board felt that the money currently in the bank could be doing better - possibly with insured funds or laddered CD's. It will be important not to lock up too much money into any one account where it cannot be touched if needed for emergencies.

Whether or not to decrease the agreed upon \$15 dues increase to \$10 was discussed. Reserves are building but not fast enough to keep pace. Dues are fairly low for what's included (ponds, streets, trash, etc.) and it was resolved to keep the increase at \$15. The increase will be discussed at the annual meeting following this Board meeting.

6. **Old Business.**

- A. Staining of perimeter fence and posts was discussed under financials.
- B. Trail License Agreement. It was previously decided to do nothing about this unless the Denver Water Board pushed for the agreement. The entire agreement is extremely one sided and benefits only the Water Board. Mountain Managers recently received a request for the status on the agreement. The Board discussed having an attorney review the agreement and also talked about having the Town attorney look at the document. The Water Board can close access if an agreement is not signed. Should the Water Board press the issue, they will be told that the agreement is under attorney review.
- C. It was noted that some fence repair is still needed between Wooden Canoe and the Nordic Center – there is a rail down.

- D. The Board is still reviewing options for Sanderman's property and delineating the path. They feel that a couple of split rail "corners" with appropriate signage will work.
- E. The dumpster enclosure needs to be cleaned up (trash). Waste Management was closed over the holidays (Thursday to Monday) because the dump was closed. Mountain Managers will check and make sure that Wooden Canoe was not charged for an extra pick up. They did not pick up on the regular pick up day (Friday) and should have picked up at a later date.
- F. The left key pad on the dumpster enclosure door is sticking – Mountain Managers will check on this. Pat noted that the new enclosure will have a side door that can be used and hopefully, better key pads.
- G. Dog waste is not being picked up. Placing pet pick up bags at strategic spots was discussed. 520 NC has been seen letting dogs out unattended and not picking up. Aggressive dog issues were also talked about. The Rules and Regulations allow for fines to be assessed for failure to pick up after pets, dogs running loose, etc. A warning letter will be sent to 520 NC notifying them that any additional violations will result in fines. The pet problem will be discussed at the Annual meeting.
- H. Parking issues were brought up. Overnight parking in the cul-de-sacs is limited to a maximum of 48 hours and is only to be used by occasional overnight guests/renters. Regular street parking by owners/guests is not permitted. Tickets/stickers will be provided to Board members so they can tag violating vehicles.

7. **New Business**

- I. The Annual Meeting agenda was looked at. Jim will talk about bird feeders, feeding wildlife, etc. Pat will address the dumpster enclosure and financing. Jim will handle snow plowing.
- j. Two additional proxies have been received. Bruce Douglas gave his proxy to Pat Wallace and Steve Wilson gave his to Jim.

8. **The Next Board Meeting** will be on Friday, 5/7/10, 3:00 p.m. at Mountain Managers.

9. **Adjournment**. There being no further business, the meeting was adjourned at 3:50 p.m.

Respectfully submitted:

Judy Freese, Recording Secretary

APPROVED:

Approved via e-mail (signed copy on file)

1/11/10

Jim Hafemeister, President

Date