

**WOODEN CANOE  
BOARD OF DIRECTORS MEETING  
DECEMBER 29, 2011**

**MINUTES**

1. **Call to Order.** The meeting was called to order at 2:40 p.m.
2. **Affirmation of Attendance and Quorum.** Board members in attendance were Dodie Davies, Jim Hafemeister, Pat Wallace, and Charles Williams. A quorum was established.

Also in attendance was attorney Noah Klug.

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

4. **Approval of Minutes from the 10/13/11 Board meeting.** A motion was made, seconded, and passed to approve the minutes as written.

5. **Amendment Discussion.** There are not enough affirmative votes to pass the proposed amendment banning short term rentals. Many owners felt the amendment was too restrictive. The Board asked Noah if it could be made less restrictive and have a chance at passing. Noah noted that the Water Dance Declaration already contains some language that could be used. Section 7.2 states that each lot is to be primarily used for residential purposes. Non-residential uses are generally limited to home offices. It would be hard to determine/enforce whether or not the number of rentals was enough to be called a "business". The Master Declaration specifically states that leasing is permitted. Noah stated the most restrictive document should take precedence (Water Dance Declaration). Attempting to declare short term rentals as a business could be challenged. Noah also stated that Colorado law is not clear but other areas have upheld that renting a property is a residential use; not commercial/business.

It was suggested that the "symptoms" be addressed (fine for all violations to the Rules and Regulations, sticker and tow vehicles, etc.). This has been tried. 520 Night Chant has been fined and had two hearings scheduled but it often comes down to "he said / "she said" unless there is definitive proof of a violation (pictures).

A new amendment could be drafted in an attempt to get 11 more affirmative votes. It might be possible to allow short term rentals but limit the number of days the unit can be rented in a certain time period. The IRS uses 14 days before they consider it a business and taxes are collected. It might also be possible to leave the amendment as written and carve out certain exemptions as necessary. It was pointed out that as soon as exceptions are made, this can snowball and defeat the purpose of the amendment.

The Board felt it was not worth pursuing the amendment at this time. The issue will be discussed at the HOA meeting following this Board meeting.

6. **Repair and Maintenance Report.** The report will be reviewed at the HOA meeting. The biggest expenses were reimbursement to Pat Wallace for extra work on the dumpster enclosure and the ponds, crack filling/seal coating, and legal. The crack fill looks very good and will be watched to see if it lasts longer – hopefully 2 years.

7. **Financial Report.**

- A. November financials were reviewed. Dues payments were on budget and with reserves collected, late fees, interest, and other income, the total income was \$5,231 ahead of budget year-to-date.

On the expense side, pond #1 was under budget by \$2,572 but this was somewhat offset by pond #2 being over budget by \$1,905. Grounds were under budget by \$2,094 and legal was over by \$2,463. Most of the other items were close to the budgeted amount. Overall, the HOA was \$2,174 under budget on expenses year-to-date and showed a budget surplus of \$7,406 through November.

There were no serious delinquencies.

The balance in the checking account was \$15,733.99 and the balance in the money market account was \$35,534.99.

Unit 536WD is now owned by Western Real Estate Investors, Inc. The people living in the unit are tenants. Dues were paid in November when the unit foreclosed. There is no available information on Western Real Estate except a Denver mailing address.

- B. The 2012 budget will be reviewed at the HOA meeting. It was approved by the Board at their November meeting. Noah stated that per CCIOA, the budget should be mailed via regular mail to homeowners. They do not approve but can "reject" a budget at a meeting where the budget is presented. From now on, the budget will be mailed to owners with the annual meeting notice.

8. **Old Business**

Lot 51 has had the back stairwell rebuilt and the owner is waiting for a re-inspection.

9. **New Business.**

- A. The estimate from Neils Lunceford to add rocks to the ponds was \$950.00. Pat will be doing some of the work and will talk to Neils Lunceford on the rest. Pat needs more information before proceeding.
- B. Overnight parking on the cul-de-sacs is not allowed per the Rules and Regulations unless the Board grants a temporary exception. Illegally parked vehicles can be ticketed and towed. Fines can also be assessed but unless Mountain Managers is notified of a violation, fines are not assessed.
- C. 520 Night Chant was sent a letter giving them a deadline of March 1, 2012 to come up with a new landscape plan. Mountain Managers was asked to send a reminder letter to the owner.

10. **Meeting Schedule:**

Board: Thursday, March 22, 2012, 10:00 a.m. at Mountain Managers.  
Annual: Thursday, 12/27/12 at 4:00 p.m. (send budget with meeting notice)

The Board normally holds a meeting a couple of hours prior to the HOA meeting. It was suggested that it might be better if the meeting is held a week or so in advance so if any issues come up that need to be researched answers can be obtained before the HOA meeting. The date will be determined later.

11. **Adjournment.** A motion was made, seconded, and passed to adjourn the meeting at 3:50 p.m.

Respectfully submitted: Judy Freese, Recording Secretary

**APPROVED:**

Approved via e-mail

1-17-12

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Dodie Davies, President

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Date