

**MINUTES OF THE MEETING  
BOARD OF DIRECTORS  
PINE RUN ASSOCIATION, INC.  
THURSDAY, SEPTEMBER 26, 2019  
8:30 A. M.**

Present: Keenie Bugenhagen, President, Owen Hodge, Treasurer, Karen Stone, Secretary, Steve Ross, Director, Jackie Wood for Management and owners in the audience. Absent: Damon White, Vice President, Tom Foley and Kathleen Koski, Directors.

The meeting was called to order by the President, Keenie Bugenhagen, at 8:30 A.M. at the clubhouse, a quorum being present. Proof of Notice and Agenda were posted at least 48 hours in advance. All motions at this meeting were unanimously passed with all Directors present voting in favor of the motion, unless otherwise noted.

Meeting Decorum: Owners were reminded to raise their hand to be recognized, address all comments to the Chair and to limit comments to 3 minutes on any agenda item.

Resignations and Appointments: None.

Reading/Approval of Minutes of Previous Meetings: MOTION was made by Steve Ross and seconded by Karen Stone, to approve the minutes of the Board of Directors meeting of September 5, 2019, as presented.

MOTION PASSED.

**BOARD REPORTS**

Secretary - Karen Stone: There were 2 additional leases since the last Board meeting.

Treasurer - Owen Hodge: Read his report, which is attached and made a part of these original minutes.

Maintenance – Steve Ross: MOTION was made by Owen Hodge and seconded by Karen Stone to approve the AGM requests from:

Unit # 132: Kitchen window replacement.

Unit # 112: Enclose part of the lanai for storage.

MOTION PASSED.

Unit # 767: Replace existing windows. The matter was tabled until the Board can gather additional information. Shutters on the building are no longer functional or replaceable. New hurricane windows will affect the exterior design.

President's Report – Keenie Bugenhagen: Read her report, which is attached and made a part of these original minutes.

Unit # 135: Replace pavers in front of the hose rack. MOTION was made by Owen Hodge and seconded by Steve Ross to approve the AGM as submitted by the owners of unit 135.

MOTION PASSED.

UNFINISHED BUSINESS.

- a. Rule Revision: No report.

NEW BUSINESS.

- a. Dog Restriction: MOTION was made by Karen Stone and seconded by Steve Ross to enter into the rules the suggested restrictions on dog breed and size.

MOTION PASSED.

(for: Ross, Stone, Hodge – against: Bugenhagen)

- b. Small Pool Bid: MOTION was made by Owen Hodge and seconded by Steve Ross to approve the bid from Kimes Engineering to draw up plans to replace the equipment at the small pool as required by the Health Department, at a cost of approximately \$5,700.

MOTION PASSED.

- c. Roof Leaks: Section 1, building E roof leak requires construction. MOTION was made by Owen Hodge and seconded by Karen Stone to approve the bid to replace the unit 712 roof decking and balcony at a cost of \$3,250.

MOTION PASSED.

- d. Access to Units for Dryer Vent Cleaning: A Motion was approved in 2018 to have the Association clean dryer vents every 3 years for the units that were built with dryers. This includes all the units in Section 3, including the apartment (cleaned in 2019); all the units in Section 2, (cleaned in 2018); and all the units in building C of Section 1, (cleaned in 2018). Steve Ross will work with Tom Foley, when Mr. Foley returns, and make a list of all units with a dryer, not built in, in Section 1.
- e. Tree Bid: MOTION was made by Owen Hodge and seconded by Karen Stone to approve the removal of the diseased Pineapple Palm in the 200's section at a cost of \$600.

MOTION PASSED.

- f. HUD Complaint: No updates.
- g. Electric Panel – Clubhouse: It is believed that the electric panel in the clubhouse

needs to be replaced. The requested bids have not been received.

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Public Comment: Q. What is the update on the fence that needs to be replaced? A. The maintenance crew is waiting for cooler weather. Q. Do the tree bids include trimming the palms? A. Not the current bids. C. Any privacy fence repairs will be done when the roofers are done and before the painters begin.

MOTION was made by Karen Stone and seconded by Steve Ross that the meeting be adjourned.

MOTION PASSED.

The meeting was adjourned at 9:37 A. M. The next regularly scheduled Board of Directors meeting will be held on Thursday, October 24, 2019, at 8:30 A. M., at the clubhouse.

Respectfully submitted,



Jacalyn K. Wood,  
For the Secretary

Board members and interested owners met for a budget work session two weeks ago. It was a productive session that definitely resulted in a general agreement on moving forward with the roof replacement project with some financing through special assessments.

The presidents and treasurers of BPW and Pine Run met to discuss the 2020 recreation budget and came to a quick agreement that the proposal works well for both associations.

The Pine Run Board president, secretary, and treasurer attended a condominium information session in Venice. There was some very useful information about reserve fund allocation and accounting regulations, particularly related to pooling and cross-utilizing reserves. We will be working to update our protocols related to reserve funds.

I have stated several times that insurance dominates the Pine Run budget. I would now amend that observation to say that insurance and roofs dominate the Pine Run budget. The board is committed to completing the replacement of roofs on all Pine Run buildings by 2022. The current condition of our roofs demands that we complete this project as soon as practically possible. There is no way we can do this in a short span of three years using only reserve funds. As I reported at our last board meeting there will be 2019 special assessments to supplement reserve funds to make it possible to complete the roof project by the end of 2022. So far we have finished 9 buildings and we still 8 have left to do.

As to insurance, it does still dominates. Jessica Harrison, at Brown and Brown, tells us we need to be prepared for rates to increase significantly. Our current policy runs to \$265,982. Her research indicated that we need to be prepared for a 12% increase up to \$297,690.

There are quite a few other things that perhaps do not dominate the budget that still must be addressed. Our legal and auditing expenses will increase by \$10,000 in the 2020 budget. The repairs and maintenance category will increase by \$6000. As I reported at the last board meeting we will have a deficit of about \$25,000 to carry over from 2019 to 2020 due to the severe unexpected drainage problems in the swale. Also, there is one unit in section 2 that has not paid any assessments this year. We will be applying a lien. There will certainly be a deficit in the end-of-the-year section 2 assessment income.

At the moment we are dealing with two problems that do not directly affect the budget. Recurring electrical problems in the clubhouse and recreation area will require installation of a new electric panel. We are arranging to get estimates. This can be funded through recreation building restoration reserves. The small pool will need a new heater. We have hired an engineer to draw up the plans. Although we do not yet have a bid we are expecting a total cost in the \$7500 range which can be funded through small pool reserves.

I received the finished 2018 audit from the firm of Menshinger and Tyack yesterday (Wednesday, September 25) about 4 o'clock. One thing an audit does is set the January 1 baseline for the various reserve categories. I compared the audit with the Pine Run year-end financial report. I wanted to focus on reserves for roofs and building restoration because those are sources to fund the roof project. According to the audit, Section 1 has \$40,000 more in these accounts than the year-end report indicates. Section 2 has \$24,000 less and section 3 has \$15,000 more. Clearly, the year end financial report reserve balances do not agree with the audit. I checked to see if this occurred last year. It did not. Last year the audit confirmed the year-end report. This is not just an accounting technicality. We need to sort this out somehow. The accuracy of our calculations depends on knowing the baseline on January 1. For the time being we will stick with our estimates based on the year-end accounting report. That's the cautious thing to do. If it is clear that the audit is correct then there actually will be more funds available. The audit document includes information about entry adjustments that our accountant needs to analyze.

## PRESIDENT'S REPORT SEPTEMBER 26, 2019

We continue to be plagued with problems that require immediate attention. Leaks in both Buildings 3 and D have been located and repaired. An electrical problem that affected irrigation in the 300' has been repaired with replacement of a solenoid. If the issue recurs, we may need to look at a pump replacement.

Gutter replacement continues on Buildings 9 and 10. Keith Hagen has been contacted to address a leak that occurred in Building 9 either through the flashing, or as a result of the lack of gutters.

The air conditioning unit in the exercise room has been replaced and is cooling nicely.

A budget planning session open to owners was held on Sept. 12<sup>th</sup>.

The Board president, treasurer and secretary attended a Condominium Board Certification Course on September 19<sup>th</sup>. As always, it was very informative.

We are awaiting Tioli Roofing on several projects. They have been replacing the deck on Unit 713 and will be advising us on exactly what tile should be ordered to place on the surface.

The discrepancies outlined by Owen in his treasurer's report continue to hamper our budget plans for 2020.

Steve Ross and I met with John Heyrman, our landscaper, regarding our concerns. His performance has improved since our meeting. I continue to check in with him on the four days a week that he is on property.

The plantings along the eastern border continue to thrive. As we are entering the dry season, they will be monitored to see that they are getting sufficient water. Two new sea grapes were planted yesterday in the opening to the former bank to fill in areas there. Molly Summers is continuing to treat the area to prevent the regrowth of carrotwoods, Brazilian peppers and other invasives. She is encouraging many native plants that are growing now that sun is reaching the area. I walked the area with her yesterday, and she pointed out mahogany seedlings, pokeweed, and other desirable plants.

Hoskins did building perimeter spraying for ants and other insects. GardenMasters did their monthly check of both plants and turf and sprayed all turf.

I have one landscaping AGM to present from Unit 135.

PINE RUN ASSOCIATION, INC.

Sign In sheet and Request to Speak on an Agenda Topic. Date: 9/26/19

Name	Address/Lot #	Requesting to Speak Y/N	Topic (3 minute limit per subject).
Marianne Wether	364 Pine Run	N	
John Allen	364 Pine Run	N	
Chris Vann	328 " "	N	
Pat Hamilton	233	N	
Margaret Holow	715	N	
Pam Williams	209	N	
Jill Koberley	713	N	
Mike & Karen Perry	208	N	