

PINE RUN ASSOCIATION, INC.

BOARD OF DIRECTORS

ANNUAL BUDGET MEETING

THURSDAY, NOVEMBER 20, 2014

PINE RUN CLUBHOUSE, OSPREY, FLORIDA

7:00 PM

AGENDA

- I. Call the Meeting to Order**
- II. Determination of a Quorum**
- III. Approval of Minutes October 23, 2014 Board Meeting**
- IV. RESIGNATIONS AND APPOINTMENTS**
- V. REPORTS OF OFFICERS**
- VI. NEW BUSINESS**
 - 1) Discussion and adoption of 2015 Budget**
 - 2) Request for approval of owner financing unit 306**
 - 3) Complaint by owner of unit 223 regarding unauthorized carport parking**
 - 4) Request to allow 2 automobiles for rental of unit 101**
- VII. OLD BUSINESS**
 - 1) Letter to owners of unit 113 re: parking of motor bikes**
 - 2) Progress on 2015 Appraisal**
 - 3) Security Recreation Area**
 - 4) Continued discussion revised Rules and Regs**
- VIII. OBSERVER COMMENTS**
- IX. ADJOURNMENT**

**MINUTES OF THE MEETING
BOARD OF DIRECTORS
PINE RUN ASSOCIATION, INC.
THURSDAY, NOVEMBER 20, 2014
7:00 P. M.**

Present: Pat Foley, President, Keenie Bugenhagen, Vice President, Peter Campanelli, Secretary, Tom Foley, Kip Kellogg and Kathleen Koski, Directors, Jim Kraut for Management and owners in the audience. Absent: Shelley Wheeler, Treasurer.

The meeting was called to order by the President, Pat Foley, at 7:00 P.M. in the Clubhouse, a quorum being present. Proof of Notice of Meeting was given with Notice and Agenda posted at least 14 days in advance. All motions at this meeting were unanimously passed with all Directors present voting in favor of the motion, unless otherwise noted.

Resignations and Appointments: With the resignation of Shelley Wheeler, the Board is looking for a new treasurer.

Reading/Approval of Minutes of the Board of Directors Meeting of October 23, 2014: MOTION was made by Peter Campanelli and seconded by Kate Koski to approve the minutes of the Board meeting of October 23, 2014, as presented.

MOTION PASSED.

BOARD REPORTS

Vice President: Keenie Bugenhagen reported that 1). She has met with the landscaper, who has agreed to provide her with a weekly report. 2). They have reviewed soil samples and will now apply fertilizers based on the result over the next few weeks. 3). Talked about plantings in atriums, in pots and Brazilian Peppers. \$). The terms in the landscape contract need to be addressed prior to renewal.

Secretary: Peter Campanelli distributed an article about fining to all Board members, which is attached and made a part of these original minutes. Mr. Campanelli also reported that there have been 19 sales and 28 rentals so far this year. The President stated that it does not appear that the capital contribution has had a negative effect on sales.

Maintenance: Tom Foley read his report, which is attached and made a part of these original minutes.

Directors: Kate Koski: No report.

Directors: Kip Kellogg: No report.

President: Deferred.

Treasurer: No report.

NEW BUSINESS:

- a. Discussion and Adoption of the 2015 Budget: The President reviewed the major items on the proposed 2015 budget including insurance, capital contribution and reserve funding and stated that the maintenance fees for 2015 would remain the same as in 2014. A water meter for Phase III was incorrectly charged to Phase II for the last six years. Phase III will reimburse Phase II for the expense from the capital contribution fees until the balance is paid off. The Association is over budget in tree and bamboo removal for 2014, but this even out in 2015.

MOTION was made by Tom Foley and seconded by Keenie Bugenhagen to approve the proposed 2015 budget, as presented.

MOTION PASSED.

- b. Request for Approval of Owner Financing Unit # 306: MOTION was made by Keenie Bugenhagen and seconded by Kate Koski to approve the sale of Unit # 306, with owner financing, as presented.

MOTION PASSED.

- c. Complaint by Owner of Unit # 223 about Unauthorized Carport Parking: The President will send a letter to the Owner of Unit # 221, requesting that the unauthorized parking in the carport of Unit # 223, cease immediately.
- d. Request to allow two Automobiles for Renter of Unit # 101: MOTION was made by Keenie Bugenhagen and seconded by Peter Campanelli to approve the request for two vehicles for the renters of Unit # 101 from 1/15/15 – 3/31/15, as presented.

MOTION PASSED.

UNFINISHED BUSINESS:

- a. Letter to the Owner of Unit # 113 regarding parking of motorbikes: MOTION was made by Kate Koski and seconded by Tom Foley to send a letter to the owner of Unit # 113, requesting the removal of the motorbikes by December 20, 2014, or the Board will initiate legal action to force compliance and all costs associated with that action will be the responsibility of the owner.

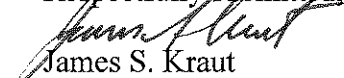
MOTION PASSED.

- b. Progress of 2015 Appraisal: Matt Mercier, the Associations insurance agent will work with the Board to interview potential insurance appraisers, as soon as possible.
- c. Security for the Recreation Area: There have been cases of unauthorized access in the recreation area that need to be addressed. The Board discussed rekeying the locks, changing to button locks and to a card reader system. Management will provide Tom Foley with the name of a Board member from another Association who is also the owner of a security company, to provide possible solutions.
- e. Discussion of Revisions to Rules and Regulations: The Board reviewed the latest set of proposed Rules and Regulations, as presented by the Secretary. Further meetings will be required.

OWNER COMMENTS: 1). The President introduced the newest Board member, Kip Kellogg to the owners. 2). A new lock is needed for the liquor cabinet.

The meeting was adjourned by the President at 8:58 P. M. The next scheduled meeting of the Board will be held on December 16, 2014, at 4:00 P. M. in the clubhouse.

Respectfully submitted,


James S. Kraut
For the Secretary

Maintenance Report 11/20/2014

- ✂ Jim Bear has secured a permit to remove the pine in the courtyard of Building E, Section I. It will be removed on or before Friday, November 28th.
- ✂ Our crew has just finished two dry wall projects necessitated by pipe leak repair. Two more are pending.
- ✂ The clubhouse has been pressure washed and Rick and I are meeting with Keith Hagen next Wednesday afternoon to finalize a plan for the clubhouse rehab project.
- ✂ One of the carports in front of Building 10, Section II has a problem of sand migrating into it from the area behind it whenever it rains. There is a wooden berm abutting the inner carport slab that does not block the sand adequately. We cannot replace that with a cement berm because there is an irrigation line that runs under it. We instead are going to lay a second set of parking bumpers on the slab all the way across and butted together.
- ✂ With respect to the November 6th memo to all unit owners concerning smoke alarms: Ten to twelve years ago owners were polled concerning the type of smoke alarms installed in their units. Those that reported that they had battery operated, stand-alone alarms were encouraged to replace them with hard wired devices with battery back-up. Many did. However, at this time we do not know how many units still have only battery operated alarms. I know of, at least, one. I have tried to determine whether those will satisfy code. According to Mark at Keys-Caldwell they do. Rick disagrees. So I did a search of FLORIDA LIFE SAFETY CODE, NFPA 2010 EDITION. Section 31.3.4.5.3 requires smoke alarms in accordance with Section 9.6.2.10 as modified by Section 31.3.4.5.4. Section 31.3.4.5.4 states, "Smoke alarms required by 31.3.4.5.3 shall be permitted to be battery powered. I apprised Rick of this and he called the Fire Marshal. He told me that smoke alarms must be hard wired. Rick gave the phone to me and I read him the above. He then told me that maybe our complex is grandfathered and he would PDF anything he found to me. That has not happened yet. I will send out the result of that research as soon as I get it.
- ✂ The storage closet in the 359/363 carport has been removed. What is probably worth the experiment is that if all building occupants are on board it could be an attractive asset. It was taller than our standard storage closets and could accommodate things like ladders and surf or paddle boards.

Association Matters, Legally Speaking

Levying of fines

By Vanda Y. Bayliss, Esq

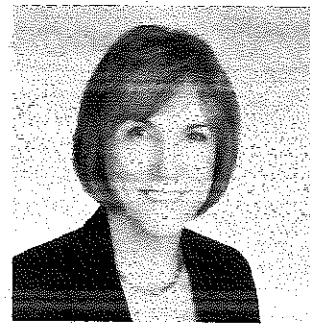
Despite friendly, and perhaps not so friendly, requests to stop, towels are still hung over the balcony railings, cars continue to be parked on the lawn, and music continues to blare at 2 a.m. So what can an association do, short of filing a lawsuit, when a member simply refuses to follow the rules?

One method of enforcing the governing documents, including violations of the declaration and rules, is by way of a fine. Both Chapters 718 and 720 of the Florida Statutes, governing condominiums and home owners' associations respectively, provide for the levying of fines by a board of directors. Before a board of directors may impose a fine, however, the board must receive approval to do so from an independent committee. The committee, which must be comprised of at least three members, may not include board members, their relatives, or members of their households. Certain "due process" procedures must be followed. The offending party must be given at least 14 days written notice of the intent to fine and must be given an opportunity to address the independent committee (often called a "fining committee" or "compliance committee").

After a hearing, at which the "offending" member is entitled to present witnesses and address the committee, the committee must decide whether the proposed fine is appropriate. The board may impose the fine only if the committee approves. The fine may

not exceed \$100 per violation. If a violation continues over time, the fine may be levied for each day the violation continues, however, it may not exceed \$1,000 total for a condominium. The fine levied by a homeowners' association may exceed \$1,000, but only if the governing documents specifically say so. With one exception, a fine may not automatically become a lien against the property. The exception is that a fine over \$1,000 may become a lien if the governing documents of a homeowners' association so provide. This is significant because a lien may provide the basis for a foreclosure action. Another method of collecting a fine is for the association to file a lawsuit, obtain a judgment for the amount of the fine, and then proceed to collect the judgment. Collection activity may include, depending on circumstances, garnishment of wages, seizure and sale of property, and foreclosure of the judgment. Additionally, if the association has the right to approve sales and leases, the association can withhold its approval if there are unpaid fines. Also, if there is a tenant in the property, the association may, if it follows the statutory procedure, demand that the tenant pay the rent to the association until the fine has been paid in full.

While fines may be levied in the right circumstances, is fining a good method of enforcement? Not necessarily. The process can create more ill feelings and, in some cases, prod the offender to engage in more



disruptive behavior. Collection of the fine may be difficult, or impossible. On the other hand, ignoring "bad behavior" may not be fair to those who are suffering the consequences. There are times when fines are an appropriate and effective way to obtain a recalcitrant owner's attention and cooperation. Fines seem to be particularly effective when a tenant is the basis for a fine as the fine may be charged to the owner's account. Owners will be less likely to renew the lease of such a tenant. Best practices dictate fines should be imposed only after other methods of achieving voluntary compliance have been exhausted.

*This column is not intended to provide specific legal advice and should not be relied upon for that purpose. Every situation is unique and this general discussion is not necessarily applicable to your situation. Please consult an attorney for advice regarding your particular situation. **