

PINE RUN ASSOCIATION, INC.
BOARD OF DIRECTORS
ANNUAL BUDGET MEETING
THURSDAY, NOVEMBER 19,2015
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 22, 2015 Board Meeting**
- IV. RESIGNATIONS AND APPOINTMENTS**
- V. REPORTS OF OFFICERS**
- VI. NEW BUSINESS**
 - 1) Discussion and adoption of 2016 Budget**
 - 2) Architectural modification request unit 129**
 - 3) Discussion regarding bids for building repairs: Club House, G,H, 7,3**
 - 4) Unit Owner Inquiry and Records request**
- VII. OLD BUSINESS**
 - 1) Louver repair Sec. I**
 - 2) Compliance Committee update**
 - 3) Occupancy Unit 366**
 - 4) Discussion job description/evaluation instrument**
- VIII. OBSERVER COMMENTS**
- IX. ADJOURNMENT**

**MINUTES OF THE MEETING
BOARD OF DIRECTORS
PINE RUN ASSOCIATION, INC.
THURSDAY, NOVEMBER 19, 2015
7:00 P. M.**

Present: Pat Foley, President, Keenie Bugenhagen, Vice President, Owen Hodge, Treasurer, Peter Campanelli, Secretary, Kip Kellogg, Kathleen Koski and Chris Saffici, Directors, Jim Kraut for Management and owners in the audience.

The meeting was called to order by the President, Pat Foley, at 7:00 P.M. at the clubhouse, a quorum being present. Proof of Notice of Meeting was given with Notice mailed to all owners at least 14 days in advance with Agenda 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.

The President noted that the Notice and Agenda were posted on the new bulletin boards.

Resignations and Appointments: None.

Reading/Approval of Minutes of the Board of Directors Meeting of October 22, 2015: MOTION was made by Chris Saffici and seconded by Peter Campanelli to approve the minutes of the Board of Directors meeting of October 22, 2015, as corrected.

MOTION PASSED.

NEW BUSINESS:

1. Discussion and Adoption of 2016 Budget: Owen Hodge and Pat Foley reviewed the proposed 2016 Budget.

MOTION was made by Owen Hodge and seconded by Kate Koski to approve the proposed 2016 budget, as presented.

MOTION PASSED.

BOARD REPORTS

Secretary: Peter Campanelli: As of November 18, there have been 22 sales, 36 rentals and 10 lends. Owners need to use the new applications and owners, renters and guests need to follow the rules.

Vice President/Landscaping: Keenie Bugenhagen read her report which is attached and made a part of these original minutes.

Treasurer: Owen Hodge read and reviewed his reports, which are attached and made a part of these original minutes.

Directors.

1. Chris Saffici: No report
2. Kate Koski: No report.

Maintenance: Kip Kellogg read his report, which is attached and made a part of these original minutes. 1). He will work on obtaining bids for a new fountain pump when more is known about the budget.

Tom Foley: Buildings A & B will be painted in December –January by the maintenance crew and the cost will be charged to the reserves. Buildings G, H, 7 & 3 will also be painted by the maintenance crew as part of the rehab.

President: Pat Foley reported that 1). Management needs to move the \$4,000 on tree removal charges to Common Area expenses. 2). Foreclosure papers have been filed against the owner of Unit # 366 by the private mortgage holder. 3). The Board meetings for December and January will be changed to December 17, at 4:00 P. M. and January 21, at 4:00 P. M.

NEW BUSINESS CONTINUED:

- b. ARC Modification Request Units # 129 and # 305: MOTION was made by Keenie Bugenhagen and seconded by Chris Saffici to approve the ARC request from Unit # 129, for new flooring, as presented.

MOTION PASSED.

MOTION was made by Owen Hodge and seconded by Kate Koski to approve the ARC request from Unit # 305, for the installation of a new AC unit, as presented.

MOTION PASSED.

- c. Discussion regarding bids for building repairs: Buildings G, H, 7 & 3: Meetings will be held next week with the potential contractor(s) for renovation of Buildings G, H, 7 & 3. The final bids need to be more detailed.

MOTION was made by Keenie Bugenhagen and seconded by Peter Campanelli to hold a special assessment meeting on December 17, 2015 to discuss and vote on the renovation/rehabilitation of Buildings G, H, 7 & 3 and the clubhouse.

MOTION PASSED.

(For: Bugenhagen, Campanelli, Foley, Hodge, Kellogg, Koski. Against: Saffici).

- d. Unit Owner Inquiry and Records Request: The Association's attorney has stated that the response to the records request for Unit # 364 must be provided no later than December 4, 2015.

UNFINISHED BUSINESS

- a. Louver Repair Section # 1: MOTION was made by Kip Kellogg and seconded by Chris Saffici to have the louver repair work done outside of normal business hours under a general contractor's license and insurance.

MOTION PASSED.

- b. Compliance Committee Update: No action has been taken by the owners of Unit # 364 within the required 14 day time frame.
- c. Occupancy Unit # 366: There is a person occupying the unit with no paperwork. Management has sent a violation letter to the owner of the unit. Management will contact the County and request that an inspection be done of the interior of the unit focusing on improvements requiring a permit and basic services needed for occupancy.
- d. Discussion Job Description/Evaluation Instrument: Tom Foley reported that he has emailed a draft job description and evaluation instrument to all Board members and requests that the paperwork be reviewed and comments be provided in time for the December Board of Directors meeting.

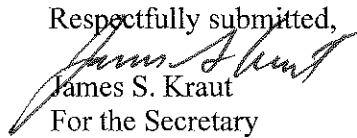
Public Comment: 1). What are the numerical descriptions of the buildings included in the special assessment?

MOTION was made by Keenie Bugenhagen and seconded by Peter Campanelli that the meeting be adjourned.

MOTION PASSED.

The meeting was adjourned at 8:41 P. M. The next scheduled meeting of the Board will be held on Thursday, December 17, 2015, at 4:00 P. M., in the clubhouse.

Respectfully submitted,



James S. Kraut
For the Secretary

Pine Run Maintenance Report November 2015

Considerable amount of time and community money was spent this month on repairs stemming from owners and units that go unattended for long periods of time. Waistline repairs, collapsing ceilings, drywall replacement and even outside plumbing help was needed for units 107/109, 111/113, and 209. Pine Run will need to reinforce the idea that we save money in the long run by reminding owners to have their units checked while absent.

*Rebuilding light fixtures *Irrigation repair at 135, 708,710 *Trimmed and painted upstairs courtyard at #354 *Drywall repair at #231 *Tree removed and fencing repaired at owners expense at #217 *Door trim and rotted board replaced outside #131, fixing the leak into the hallway of #135 *Flashing leak and wall repair inside #307 *Balcony repaired at #132 *Fence repaired at #237 *Gate and fence repair at #238 *Met with owner of #305 to talk responsibility for rotten boards under an owner installed screen roof. Staff will replace one board to stem the rot, however owner advised remainder of the repair will fall on them *Continue to place unit numbers on parking bumpers. Staff will not paint if a car is parked in front of the bumper.

Just in time for the dry season, pump and hoses put away, and new pump put on a tow cart and stored for the season.

Pool lights fixed and now working. New pool gate to the grass lawn being installed. New gym floor and pieces of new equipment placed in the gym.

After 5 weeks of work, the painting lift has been fixed, and moved to the other side of the lot. Lift will be used for the upcoming painting season.

Wiring dug up and replace in regards to the light outside the 300 laundry house.

Per Sarasota County order, a water backflow device was installed by Ron Horn Plumbing along with staff in the jungle behind the maintenance yard.

Waste Management has revised their pickup rules for electronics. Small tv's can now be placed out with regular trash. An owner still needs to schedule large console size pickups.

Maintenance will be painting buildings A&B beginning soon. Flyers reminding owners to remove all outside furniture and belongings will be posted as a reminder.

LANDSCAPING REPORT NOVEMBER 2015

Due to this being a budget meeting, I will limit this report to budgetary concerns, and will submit a complete landscaping report next month.

Last month we voted to budget \$5,500 as matching funds for the Sarasota County grant for invasive plant removal that Kate and I submitted. We based this amount on our initial bid of \$10,795 from Earth Balance. The second bid from Wetland Management Services came in at \$17,800. The third bid from Clean Cut Tree Service was for \$4,200. Despite the third bid being so much less, the owner was extremely knowledgeable. They do all the tree work in Blackburn Point Woods. The environmental specialist from the county approved him doing the work. We obviously based the grant proposal on the third bid, meaning that if we are awarded the grant, our cost will be \$2,100. This company also offered to either chemically treat the stumps or to grind them for the same price. I am hoping that we will be able to convince the county to allow us to have the stumps ground, as this would preclude the need for paying for continued chemical treatment.

I would ask that the BOD would allow at least \$5,000 for the removal of invasive plants whether we receive the grant or not. Given the low price of this bid, we could afford to pay for the entire designated area ourselves even if not given the grant, as well as whatever additional trees I could get removed for the slightly higher amount of money. If we are awarded the grant, we could designate another area to be cleaned up. I think that this is important, and in the long run, fiscally responsible, as these invasive plants grow quickly and multiply, making them more expensive to remove the longer we wait. We are going to need to budget money each year for this, so that we can begin to restore our ecosystem and protect our desirable plants and trees.

The county will most likely insist on the removal of all exotic plants, not just those that are invasive, in future phases of the project. Although we have received tremendous community support for removing invasive species, I think that removing all non-native plants would lead to a backlash against the whole effort. Therefore, we need to be prepared to continue this project without county assistance. While this is disappointing, it does mean that we will be able to apply for a county grant to help us fund another initiative such as lighting or perhaps clubhouse accessibility.

Amended November 15, 2015 Pine Run Association Treasurer Report Owen Hodge
 Operating Expenses Compared to Budget Jan. - Oct. (83.3% of the year)

Section	Expense	Budget	% of budget
1	251,205	318,833	78.8
2	144,359	189,649	76.1
3	167,632	218,512	76.7
Small Pool	11,846	18,049	65.6
Recreation	75,272	89,673	83.9
Commons	208,978	250,304	83.5
Total	859,292	1,085,020	79.2

We are close to or under budget in all categories for operating expenses.

Reserves

Total Reserve Balance: 557,000 (Jan. 1 reserve balance: 451,843)

Capital Contribution: 22,881 through October

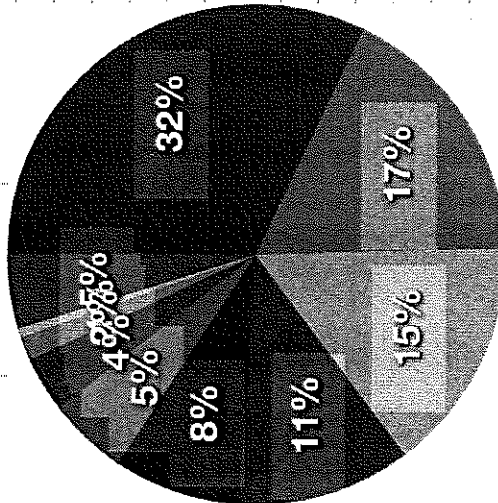
The capital contribution provides a healthy boost to the reserves.

Reserve Activity	Jan.-Oct.Expense	Current Balance
Section 1		
Roofs	0	163,090
Painting	98	15224
Building Restoration	2000	9323
Section 2		
Roofs	0	85085
Painting	98	16784
Building Restoration	1000	10746
Section 3		
Roofs	0	77788
Painting	452	9953
Building Restoration	8304	15340
Recreation		
Roofs	0	8078
Building Restoration	1000	54981

The increased allocations for reserves this year, and low reserve expenses, have made it possible to substantially build up the reserve accounts.

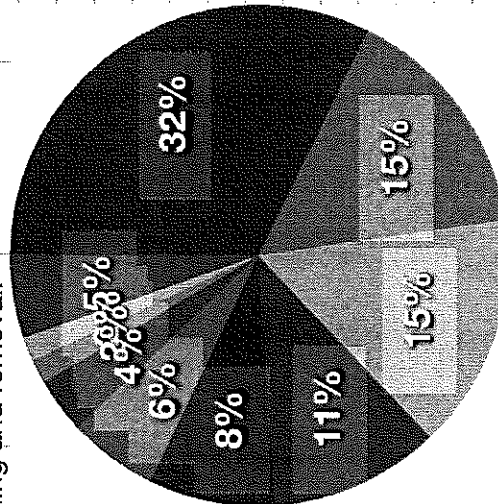
2015		Assessments		2016	
Category	Amount	%	Category	Amount	%
Insurance	282800	32.12%	Insurance	283907	32.24%
Reserves	153574	17.44%	Reserves	136087	15.45%
Payroll/Benefits	132855	15.09%	Payroll/Benefits	132855	15.09%
Utilities	100159	11.37%	Utilities	97619	11.09%
Grounds	72760	8.26%	Grounds	72660	8.25%
Repair/Maint.	45500	5.17%	Repair/Maint.	51000	5.79%
Management	31752	3.61%	Management	31752	3.61%
Pest	13600	1.54%	Pest	13800	1.57%
Legal*	5000	0.57%	Legal/Prof.*	13600	1.54%
Misc.	42568	4.83%	Misc.	47288	5.37%
Total	880568	100.00%	Total	880568	100.00%

2015



Misc. includes tree trimming and removal. It will increase in 2016.

2016



The 2015 budget summary has a line for LEGAL expenses. In the 2016 budget summary that line is for LEGAL and PROFESSIONAL (auditing) expenses. The difference in the two lines does not really indicate an applies to applies increase.

Operations Budget

2015 -- \$726994

2016 -- \$744481

The total amount budgeted for operations increases by \$17487 in 2016. In order to avoid an increase in monthly assessments, the amount of assessments allotted to reserves will be decreased by \$17487 in 2016. Ten thousand dollars of this money will be applied to an increased budget for tree trimming and removal in the Commons section.

Building Restoration 2007-2015 and Paint

Section/Bldg	Res. Date	Spec. Assmt.	Contractor		Paint Date	Contractor	amt	notes
I A	2008	\$37,000*	Hagen		2008-9	In-house		Paint
B	2008	\$89,000*	Hagen		2008-9	In-house		Paint
C	2012	\$65,000**	Hagen		2012	Martinez	\$7,500	
D	2010	\$47,000	Hagen		2010-11	In-house		
E	2011 2012	\$52,126	Hagen		2012	Martinez	\$6,100	
F	2011	\$15,894	Hagen		2011	Martinez	\$5,200	
G	2007		W. Wenck P.Bangs	Needs work	2007	In-house		Paint
H	2005	\$68,650	W. Wenck	Needs work	2005	In-house		Paint

*Additional funds from "louver reserve"

**Shared with Building E

Section/Bldg	Res. Date	Spec. Assmt.	Contractor		Paint Date	Contractor	Amt.	
II 10	2009	\$65,000	Hagen	Needs slats done	2009	In-house		
2	2009 2011	\$65,000	Hagen		2011	Martinez	\$7,500	
3	2006		W. Wenck	Needs work				Paint
4	2012	\$100,000	Hagen		2012	Martinez	\$10,000	

Section/Bldg	Res. Date	Spec, Assmt.	Contractor		Paint Date	Contractor	Amt.	
III 5	2010	\$60,000	Hagen		2010	Martinez	\$7,500	
5/9	2011	\$100,000	Hagen		2011	Martinez	\$9,200	
9	2007	\$86,363	W. Wenck		2008	In-house		
6	2009	\$70,000	Hagen		2009	In-house		
7	2007	\$99,274	W. Wenck P. Bangs	Needs work	2007	In-house		paint
8	2006 2015	\$79,000 \$8,000	W.Wenck In-house		2006 2015	In-house In-house		