

BOARD OF DIRECTORS MEETING
PINE RUN CONDOMINIUM ASSOCIATION, INC.
Sept. 22, 2016
8:30 AM Pine Run Club House
AGENDA

- I. Call the Meeting to Order
- II. Determination of Quorum
- III. Proof of Notice of Meeting
- IV. Resignations and Appointments
- V. Approval of Minutes of Aug 23, 2016 and Sept. 1, 2016
- VI. BOARD REPORTS
- VII. OLD BUSINESS
 - a) Pest Control Policy
 - b) Compliance Issues Units 107, 130
- VIII. NEW BUSINESS
 - a) Clubhouse floor
 - b) Buried LP gas tank
 - c) Leak in 311
- IX. PUBLIC COMMENT
- X. ADJOURNMENT

**MINUTES OF THE MEETING
BOARD OF DIRECTORS
PINE RUN ASSOCIATION, INC.
THURSDAY, SEPTEMBER 22, 2016
8:30 A. M.**

Present: Keenie Bugenhagen, President, Kip Kellogg, Vice President, Owen Hodge, Treasurer, Peter Campanelli, Secretary, Kathleen Koski, (via telephone), and Chris Saffici, (via telephone), Directors and Jim Kraut for Management. Absent: Tom Foley, Director.

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 of Meeting was given with Notice and 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.

Resignations and Appointments: None.

Reading/Approval of Minutes of the Board of Directors Meeting of August 23, 2016: MOTION was made by Owen Hodge and seconded by Kip Kellogg to approve the minutes of the Board of Directors meeting of August 23, 2016, as presented.

MOTION PASSED.

MOTION was made by Owen Hodge and seconded by Kip Kellogg to approve the minutes of the Board of Directors meeting of September 1, 2016, as amended. The amendment being the removal of the following portion of the first sentence after the capital contribution motion: "...and to retain \$100 of the total amount for the sale application fee".

MOTION PASSED.

BOARD REPORTS

Directors:

Chris Saffici: No report.

Kate Koski: No report.

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

Secretary: There has been very little activity in housing as people appear to be waiting for the results of the election. The current rules and regulations need to be redone to address the pest control policy and other items.

1. Appendix 11: The President will send edits to Appendix 11 to all Board members for review and comment at the October Board meeting.

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

AGM Forms.

Unit # 221: Replacement of flooring in the master bedroom and closet.

Unit # 221: installation of 12x12 slate tiles on the bedroom lanai.

Unit # 354: Installation of new flooring tile and laminate on top of existing sound deadening underlayment.

MOTION was made by Kip Kellogg and seconded by Owen Hodge to approve the AGM requests from Unit # 221 and Unit # 354, as presented.

MOTION PASSED.

UNFINISHED BUSINESS

- a. Pest Control Policy: Covered.
- b. Compliance Issues Units # 107, #130: 1). Management will check on the status of the rental, application request letter to Unit # 107. 2). The 15 day deadline for the cleanout of the electrical meter room has passed. Maintenance will knock on the owner's door to ask if the work has been completed. If not, the maintenance men will remove the items and dispose of the items or the Board will bill the owner for the time to remove the articles.

NEW BUSINESS.

- a. Clubhouse Floor: MOTION was made by Kip Kellogg and seconded by Owen Hodge to spend up to \$4,500 for the refinishing of the clubhouse floors and meeting table.

MOTION PASSED.

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

- b. Buried LP Gas tank: MOTION was made by Kip Kellogg and seconded by Owen Hodge to spend up to \$1,000 for the removal of the abandoned 500 gallon LP tank near the small pool.

MOTION PASSED.

- c. Leak in Unit # 311: MOTION was made by Kip Kellogg and seconded by Owen Hodge to ratify the action to have Hagen Construction make the emergency repairs to load bearing support columns at a cost not to exceed \$4,100, as presented.

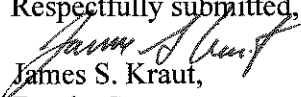
MOTION PASSED.

Public Comment: 1). Kate Koski requested that Management include a new copy of the directory authorization forms to all owners with the next Association mailing.

MOTION was made by Kate Koski and seconded by Kip Kellogg that the meeting be adjourned.

MOTION PASSED.

The meeting was adjourned at 9:45 A. M. The next regularly scheduled Board of Directors meeting will be held on Monday, October 31, 2016, at 2:00 P. M., in the clubhouse.

Respectfully submitted,

 James S. Kraut,
 For the Secretary

September 2016 Maintenance Report

We continue to make progress on the rehab to building's G&H. Contractors are working on stairs, as well as the fascia and trim.

New doors and locks have now been installed at the small pool. Two new tables and umbrellas have been ordered. A drainage issue fix had been held up in waiting for the utility companies to come out and mark electric and natural gas lines. That has now been done, and we will move ahead with the path repair, and keep working on the drainage issue as we talk about removing a buried lp gas tank.

Our staff is halfway finished on installing new louvers over the entry to 128 Woodland Dr.

An unexpected rot issue inside 311 Pine Run Dr, compelled us to use our on-site contractors for an emergency joist repair. Work being done to prepare the unit for sale, exposed a possible decade old leak, that had rotted the support beams in a load bearing wall. Keith Hagen was able to give us a good price, and pull his employees to quickly address this situation.

And finally a thank you to our staff in keeping PineRun as dry as possible during the tropical storm rains. In addition to pumping the ponds in the 100's, we believe we finally discovered a debris blockage behind the 700's, that once removed, allowed our entire swale system to drain very quickly.

September, 2016 Treasurer Report
Owen Hodge

Operations expenses continue to be very much in line with the budget. Expenses for sections 1,2, and 3, as well as for Small Pool are all under the budget. Expenses for Recreation and Commons are over budget. For Recreation this is mainly due to electricity and repairs. For Commons, repairs, legal expenses, and payroll are over budget. We may need to make some adjustments in the operations budget for the coming year, but the amounts are certainly manageable.

Some things to consider looking ahead to the 2017 budget:

Capital Contribution

In the past two years income from capital contributions has been allocated to reserves. Refunds will be drawn from reserves. The total collected was \$39,783. Given that the total balance for reserves is a bit over \$500,000, this is a manageable situation. We should not cut back on adequately funding reserves in 2017 because of this refund.

Roofs

Estimated yearend roof balances- Section 1:\$186000 Section 2: \$110,000 Section 3: \$83000
These amounts are less than half the estimated total for roof replacement. According to our current reserve report this replacement should occur within 4 years. We might consider starting replacement soon, but stretching out the time for completion so we can build up as much roofing reserve as possible.

Painting

Estimated yearend balances- Section 1:\$6000 Section 2: \$20,000 Section 3: \$13000
The reserve study shows 4 years remaining for paint. The balance in section 1 is low which makes it difficult to avoid a special assessment at some point in the future.

Building Restoration

This year we approved a special assessment to replace cedar fascia with Nichi trim on several buildings in preparation for new roofing and roof flashing. The amounts approved were:

Section 1: \$76032 Section 2: \$67760 Section 3: \$46580

The yearend balances for Building Restoration this year will be, approximately

Section 1: \$32000 Section 2: \$16000 Section 3: \$17000

Comparing these two lists it is easy to see why the special assessment was the only way to fund the building restoration this year.

Increasing Reserve Percent of State Mandated Level

The next three or four years will be very challenging in terms of budget because roofs, painting and building restoration will all need to be addressed. This year the percentage of the state mandated level for reserves for each section is-

Section 1: 71% Section 2: 61% Section 3: 55% What would it look like if we were to begin to phase in increases in the reserve and operations budgets? If, in 2017, each section were to meet 75% of the state mandated level along with a 5% increase in operations, the monthly assessments would increase by \$25 to \$55 depending on the type of Pine Run unit. This will help to address financing the work that needs to be done in the next few years but realistically might not be sufficient to avoid some special assessment in the short run. We will have to very carefully weigh our options.

PRESIDENT'S/LANDSCAPING REPORT

Attorney Scott Jackman and I called in to hear the State of Florida Commission on Human Relations meeting on our current litigation on Sept. 8th. The Commission voted unanimously to reject the petitioner's exceptions and dismiss the case. The petitioner was given 30 days to file an additional exception. We will attend the Nov. 15th hearing on the federal civil case.

The refunding of our capital contributions is progressing. To date, nineteen owners have responded to our certified letter. Of those, fifteen have been approved to make a refund to the buyer. One has been approved to make a refund to the seller. Two have been returned for more complete documentation. One buyer has maintained that although the seller made the payment, she is entitled to receive the refund. She has been advised that a notarized statement from the seller must be provided authorizing us to refund the payment to her.

Owen, Kip and I met with, and did an abbreviated walk-through of the community with Greg Ruggiero, our new representative from Bouchard Insurance. It was a very positive meeting, and we look forward to a continued relationship with Bouchard.

The growing season is proving a challenge for our landscapers to keep up with what needs to be done. Holidays and rain days have interrupted our service. Needed attention to swales and trimming has left overgrown lawns, and many weeds. Hopefully, they will be able to get caught up within the next month. Two more palms had to be removed due to Ganoderma butt rot. We will continue to monitor our palms to avoid spreading of the disease.

Once we are through storm season, and are sure that we don't have any large expenses due to damage, I will be moving forward with plantings for the entry areas. I hope to be able to move forward any unused budgeted funds for landscaping into next year to address invasives between buildings 4 & 5, and along Blackburn Point Road.