

**PINE RUN ASSOCIATION, INC.
BOARD OF DIRECTORS
ANNUAL BUDGET MEETING
THURSDAY, NOVEMBER 17, 2016
PINE RUN CLUBHOUSE, OSPREY, FLORIDA
7:00 PM
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 October 31, 2016**
- VI. **BOARD REPORTS**
- VII. **NEW BUSINESS**
 - a) **Discussion and adoption of 2017 Budget**
 - b) **Coils for large pool heat pump**
 - c) **Work order Unit 364**
- VIII. **OLD BUSINESS**
 - a) **Unit 107 occupancy**
 - b) **Pest control policy**
 - c) **Shed**
- IX. **PUBLIC COMMENT**
- X. **ADJOURNMENT**

**MINUTES OF THE MEETING
BOARD OF DIRECTORS
PINE RUN ASSOCIATION, INC.
THURSDAY, NOVEMBER 17, 2016
7:00 P. M.**

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

The meeting was called to order by the President, Keenie Bugenhagen, at 7:01 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 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.

As the majority of the owners are attending the meeting to discuss the budget and hearing no objection, the Board moved the approval of the 2017 budget to this part of the meeting.

NEW BUSINESS.

a). Discussion and adoption of 2017 Budget: The Treasurer read his report, which is attached and made a part of these original minutes. The Treasure stated that the reimbursement for water charges from Section 3 to Section 2 was inadvertently left off of the budget. There is no affect on the budget but it should be included. It is the goal of the Board to gradually increase the reserve funding until the reserve are fully funded per Florida Statute.

MOTION was made by Kate Koski and seconded by Kip Kellogg to amend the 2017 proposed budget to include the revised Section 3 budget, including the reimbursement information, as presented.

MOTION PASSED.

MOTION was made by Tom Foley and seconded by Owen Hodge to approve the proposed 2017 budget, to include the reimbursement of water expenses, as amended.

MOTION PASSED.

The amended portions of the budget will be mailed to all owners.

Reading/Approval of Minutes of the Board of Directors Meeting of October 31, 2016: MOTION was made by Tom Foley and seconded by Kate Koski to approve the minutes of the Board of Directors meeting of October 31, 2016, as presented.

MOTION PASSED.

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

BOARD REPORTS

Secretary: Peter Campanelli reported that there are five lease applications submitted. He will provide a year-end recap of sale and rental applications at the December Board meeting.

Maintenance: Kip Kellogg reported that the Buildings G & H renovation has been delayed because of the problem with the contractor's hydraulic lift and conflicting work schedule.

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

MOTION was made by Owen Hodge and seconded by Peter Campanelli to foreclose on Unit # 130, for delinquent maintenance fees, as presented by the Association's attorney.

MOTION PASSED.

Tom Foley:

AGM Forms.

Unit # 353: The owner will obtain approval from the other owners in the building before resubmitting the AGM for approval.

Unit # 128: Installation of new flooring, with sound deadening.

Unit # 120: Installation of new flooring, with sound deadening.

MOTION was made by Tom Foley and seconded by Kip Kellogg to approve the AGM requests from Units # 128 and Unit # 120, as presented.

MOTION PASSED.

Directors:

Chris Saffici: No report.

Kate Koski: The Clubhouse Committee is moving forward with furniture and storage purchases. In addition, they are investigating a new sound system and are looking for volunteers knowledgeable in this area.

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

Landscape AGM: MOTION was made by Keenie Bugenhagen and seconded by Tom Foley to approve the Landscape AGM plan from Unit # 304 for plantings and mulch with the exception of including Oyster Plant and Ginger Lilly, which will not be permitted.

MOTION PASSED.

NEW BUSINESS CONT'D.

- b. Coils for Large Pool Heat Pump: MOTION was made by Kip Kellogg and seconded by Owen Hodge to ratify the purchase of the two heating coils for the large pool at a cost of \$5,597.80.

MOTION PASSED.

- c. Work Order Unit # 364: All items from the Unit # 364 work request have been addressed except for the replacement of a cracked paving stone located on the limited common element. The paving stone was cracked during renovations by the Association's contractor. Paving stones, throughout the Association, were listed on the insurance company walkthrough as items of concern.

MOTION was made by Kate Koski and seconded by Kip Kellogg to contact the owner of Unit # 364 and propose to remove all three of the paving stones located in the limited common elements and replace them, at Association cost, with plantings of the same size and style as those in the same area. The owner of Unit # 364 will maintain the plantings after installation.

MOTION PASSED.

UNFINISHED BUSINESS

- a. Unit # 107 Occupancy: Letters were sent to the owner of Unit # 107, on June 30, July 18, August 30 and September 22, 2016, requesting a copy of the rental application and fee for the tenant who has been occupying the unit since June, 2016. An application was received in October but it is uncertain if an application fee was provided.

MOTION was made by Tom Foley and seconded by Chris Saffici to have Management investigate and respond to the Secretary as to whether the \$100 application fee has been paid. If not included with the application, Management was instructed to send the application back to the owner as incomplete and request that the \$100 fee be included with the re-submittal.

MOTION PASSED.

- b. Pest Control Policy: The Secretary will rework the appendix to match the form.
- c. Shed: Section I owners will be required to vote for the shed installation. This item will be added to the Section 1 limited proxy.

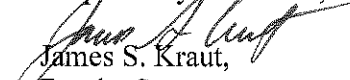
Public Comment: 1). The owner of Unit # 362 was advised to contact a licensed and insured contractor to make necessary repairs to the unit shutters. The shutters must match those of other units. 2). An owner was upset that the special assessment for Buildings G & H was assessed in February but the work has not been completed yet.

MOTION was made by Tom Foley and seconded by Kip Kellogg that the meeting be adjourned.

MOTION PASSED.

The meeting was adjourned at 8:42 P. M. The next regularly scheduled Board of Directors meeting will be held on Thursday, December 22, 2016, at 8:30 A. M., at the clubhouse.

Respectfully submitted,


James S. Kraut,
For the Secretary

PRESIDENT'S REPORT NOVEMBER 2016

It is wonderful to see many returning residents and some new faces around the community. The Social Club hosted a very successful Welcome Brunch in our refurbished clubhouse, where friendship, good food, and music by our own Owen was enjoyed by all.

Insurance - Our insurance company, Bouchard Insurance, has reached out to us indicating that if we would like to follow our former sales executive, Matt Mercier, to CBIZ, they will work with us to make for a smooth transition. I have not pursued any move, but we have that as an option. Our new sales executive, Greg Ruggiero is creating a cover page about our community for the submission he makes to insurance carriers on our behalf. As part of this, he will list risk management improvements that we have made in response to the loss control survey done earlier this year. Our maintenance department has been actively addressing each of these items. Our goal is to reduce our insurance premiums.

Legal matters – The legal case initiated by Ms. Walters is still pending in two separate forums. Attorney Scott Jackman represents the Association in both cases. Another appeal has been filed by the plaintiff on the initial complaint of discrimination. A separate civil complaint was filed in Federal Court. Attorney Jackman has filed a motion for dismissal of this case, which the Court has not yet ruled on. In the meantime, he is working with opposing counsel to submit a case management report to the Court by the November 28th deadline. I will continue to stay in close communication with legal counsel on both cases.

Capital Contribution – A refund of the Capital Contribution fee has been approved for 41 Pine Run units. Only 5 units have not yet submitted the required closing documents.

I would like to pursue a Neighborhood Initiative Grant for lighting. We need to submit an Intent to Apply by January 10th, and the grant application is due by March 21st. Volunteers are needed to assist with this.

The walk-through of the grounds we did last March was excessively time consuming, given the size of our property. I would like to propose that we start to do a monthly walk-through, doing the 100's one month, the 200's the next month, then the 300's, and finally the 700's. This would enable us to inspect each area three times a year in regards to things that need to be corrected by the Association, and by owners.

We need to take a look at time clocks again so that we can move towards modernizing our record keeping. I would like to have a proposal to act upon at next month's meeting.

The new locks and doors on the locker rooms, clubhouse and exercise room work very well when people shut them. They do not work when they are wedged open. We need everyone's cooperation to improve our security and avoid unwanted guests.

We have Brazilian peppers, carrotwood, etc. coming up again in the entrance areas we cleared of invasive plant life. I am meeting with Jonathan of Clean Cut Trees on Dec. 6th to address this new growth. When we are done treating these areas, I will look at planting some native plants to fill in the area. I am already getting bids on plants. We have bids from Clean Cut for removing invasives from two additional areas. I will discuss these further with Jonathan when I meet with him. Eliminating these invasive plants will reduce our landscaping maintenance needs and will protect our native flora and fauna.

I did a walk-through of the property with the landscapers on Monday. They will start tomorrow cutting plants away from the buildings. We have some trees that need to be cut back that we can do in-house. We have some other tree work that will need to be done by Jim Bear. Gardenmasters was here this week fertilizing.

Pine Run Treasurer Report
November, 2016

The end of October is the end of the tenth month of the Pine Run fiscal year. We would expect our expenses to be at 83.3% of the budgeted amounts. As you can see from the chart, we are somewhat higher than the 83% level.

	% of operations budget expended
Section I	88%
Section II	81.9%
Section 3	84.5%
Small Pool	83.2%
Recreation	91.4% (Repairs and maintenance are \$5000 over budget)
Commons	87.4%

We still have two months to go for this year so there is still time to bring some of these into line. Modest increases in these budgets are proposed for next year.

Budget Overview.

Certainly a budget is more than columns of numbers. A budget is also a statement of intent and action. We have sent out our proposed 2017 Pine Run budget to all Pine Run Association members. This budget represents a first important step in a plan to move to fully funding our reserves to the state mandated level. Another important activity will be roofing. We are in good financial shape to begin replacing roofs funded by roofing reserves. We need a plan that explicitly details which roofs will be worked on and when. As a board we have previously discussed the importance of setting priorities and establishing a multi-year plan for Pine Run. Among the things we also need to consider and plan for are correcting our problems with uneven paving on our walkways, upgrading the storage area adjacent to the clubhouse, and replacing our outdoor lighting system. The 2017 budget does a good job of protecting the investment we have all made in Pine Run. When the budget is approved, instead of relaxing, we need to immediately continue building on what we have established. We need to continue this essential planning process.

Budget Amendment

In the budget process we considered a number of drafts and proposals. In particular, we have the situation in which section III will transfer an amount from reserves to section II. As a result of a communications mix-up, and a technical glitch, there is an error in the proposed budget we sent out. As treasurer I take full responsibility for the error and for any inconvenience it may cause. I want to make it absolutely clear that the amendment to correct the error will not change any of the monthly assessment amounts in the draft we sent out. Those amounts are correct. The funding level from those assessments is exactly what it should be. What got left out was an explicit statement of the transfer from section III reserves to section II to correct a mistake in assigning a water bill to the wrong section over a period of years. I will provide copies of the two amended pages so we can approve them. Then only the amendments need to be sent to the membership. Nothing else is changed.

Please bring your copy of the 2017 budget to the meeting so you can compare it with the two amended pages.

PINE RUN ASSOCIATION, INC.

Sign In Sheet and Request to Speak on an Agenda Topic. Date: Nov. 17, 2016

Name	Address/Lot #	Requesting to Speak Y/N	Topic (3 minute limit per subject).
ANN WHITELEY	362 PINE RUN	N YES	SHUTTERS ON WINDOWS BREAKAWAY
RON SPANNING	750 Pine Run	N	
Barb Skinning	752 Pine Run	N	
Billie Corn	109 Woodland Dr	N	
Don Stron	212 Woodland	N	
Carol Wells	754 Pine Run		
Carmie Hamer	714 Pine Run Dr.	N	
Teresa Hoag	303 Pine Run Dr.	N	
Susan & Sandy Bailey	201 Woodland Dr	N	
Fahyd Tom Cleary	713 Pine Run	Y	
Teresa Markowitz	108 Woodland Pl.	N	
Brian O'Grady			