

**BOARD OF DIRECTORS MEETING
PINE RUN CONDOMINIUM ASSOCIATION, INC.
May 26, 2017
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 April 27, 2017
- VI. BOARD REPORTS
- VII. OLD BUSINESS
 - a) Compliance Committee
 - b) Apartment 302 Blackburn Point Road
 - c) Roofs
 - d) Unit 357
 - e) Tennis Court
- VIII. NEW BUSINESS
 - a) Insurance - Greg Ruggiero from Bouchard Insurance
 - b) Tree bids
 - c) Women's Locker Room
 - d) Reserve Funds
 - e) Fire Extinguishers
 - f) Gutters
- IX. PUBLIC COMMENT
- X. ADJOURNMENT

**MINUTES OF THE MEETING
BOARD OF DIRECTORS
PINE RUN ASSOCIATION, INC.
FRIDAY, MAY 26, 2017
8:30 A. M.**

Present: Keenie Bugenhagen, President, Kip Kellogg, Vice President, Owen Hodge, Treasurer, Tom Foley, (via telephone), Kathleen Koski, Mike Wilder, Directors, Jim Kraut for Management and owners in the audience. Absent: Peter Campanelli, Secretary.

The meeting was called to order by the President, Keenie Bugenhagen, at 8:32 A.M. at the clubhouse, a quorum being present. Proof of Notice of Meeting 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.

Guest Speaker: Greg Ruggiero, from Bouchard Insurance, provided and reviewed the Board with two proposed insurance premium options for the 2017-2018 policy.

MOTION was made by Owen Hodge and seconded by Kate Koski to accept Option II of the proposed 2017-2018 policy, leaving the flood insurance coverage the same as last year and with the additional increase in umbrella coverage from 5 million to 10 million dollars.

MOTION PASSED.

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 Owen Hodge and seconded by Mike Wilder to approve the minutes of the Board of Directors meeting of April 27, 2017, as corrected.

MOTION PASSED.

The correction being that the minutes were for April 27, and the compliance issues with Units 308 and 357, were reversed, Unit # 308 is bags of mulch and numerous pots in the common elements, and Unit # 357 is overgrown trees damaging common area fence.

BOARD REPORTS

Secretary: None.

Mike Wilder: Read his report, which is attached and made a part of these original minutes. Owen Hodge volunteered to pay for all shipping charges for one month. Mike Wilder volunteered to pay for all shipping costs until the last week of June.

Maintenance: Kip Kellogg reported that 1). Almost all of the sprinkler heads in the 700's have been switched out and the crew is now in the 300's. There will be about 1,000 heads switched out and adjusted by the end of the summer.

MOTION was made by Kip Kellogg and seconded by Mike Wilder that the Association pay owners no more than \$3.50 per square foot in reimbursement for plastic tiled courtyard decks.

MOTION PASSED.

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 Kip Kellogg to authorize the Treasurer to re-invest \$200,000 from a 2-year CD at the bank and interest rate of his choosing.

MOTION PASSED.

MOTION was made by Owen Hodge and seconded by Kate Koski to authorize Keys-Caldwell/Dowd, Whittaker to transfer reserve funds to the operating account for cost overages related to the most recent special assessments.

MOTION PASSED.

AGMs: MOTION was made by Tom Foley and seconded by Kip Kellogg to approve the AGM requests from Unit # 303, for the installation of a new air conditioning unit, to be installed by a licensed and insured contractor with permit, Unit # 123, for the installation of a new vinyl flooring, Unit # 129, for electrical upgrades, Unit # 124, to remove formica counters in the kitchen and baths and replace with granite, and to Unit # 244, to repair the unit owner dryer vent, as presented.

MOTION PASSED.

MOTION was made by Mike Wilder and seconded by Kip Kellogg to approve the AGM for Unit 115, to install pavers on the lanai, extend pavers outside of the lanai door 3 and ½ feet and 2 feet along the lanai cage, as presented.

MOTION PASSED.

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

Unit # 353 has not returned the requested ARB form. Kip Kellogg has spoken with the new owner of Unit # 307, who will be hiring an engineer to address the water leak intrusion issue.

Kate Koski: The second set of light samples has been installed at Units # 115 and # 119, but does not seem to be a good fit so a 3rd set will be provided at the June meeting.

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

UNFINISHED BUSINESS

- a. Compliance Committee: MOTION was made by Keenie Bugenhagen and seconded by Owen Hodge to appoint Damon White to the Compliance Committee, to represent Section I.

MOTION PASSED.

Unit # 308 has cured their violation and the Board recommends that no hearing is held. Violations for Unit # 234 and # 357 are still open and need to be reviewed.

- b. Apartment 302 Blackburn Point Road: Renovations are ongoing.

MOTION was made by Kate Koski and seconded by Mike Wilder to set the monthly rent for the apartment at 302 Blackburn Point Road, at \$1,125 per month, with no security deposit and no first and/or last months rent required.

MOTION PASSED.

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

- c. Roofs: Roofs G & H have been completed. The Notice of Commencement for Buildings # 3 and # 7 has been received; Building # 7 is scheduled to start the second full week in June, with Building # 3 to follow.
- d. Unit # 357: The Unit is under foreclosure and has a history of unapproved renters.

MOTION was made by Keenie Bugenhagen and seconded by Mike Wilder to post a notice on the courtyard fence that states: "This Unit has not been approved for renters. Prospective tenants should contact the Board President immediately".

MOTION PASSED.

- e. Tennis Courts: MOTION was made by Tom Foley and seconded by Kate Koski to approve the proposal from Sports Surfaces for patching, repairs, resurfacing and recoating all tennis courts, including fiber glass tape on all cracks, painting pickle ball lines on specific courts, and installing 3 new nets at a cost not to exceed \$28,000, as presented.

MOTION PASSED.

The work will be scheduled to begin after August 15.

NEW BUSINESS.

- a. Insurance: Covered.
- b. Tree Bids: MOTION was made by Keenie Bugenhagen and seconded by Owen Hodge to spend up to \$1,000 to purchase 2 new oak trees behind the 300's and as many Wax Myrtles as possible behind the 100's.

MOTION PASSED.

- c. Women's Locker Room: MOTION was made by Kip Kellogg and seconded by Tom Foley to accept the proposal from Wisdom Construction to remove, repair and retile the women's locker room, at a cost of \$900, as presented.

MOTION PASSED.

- d. Reserve Funds: Covered.
- e. Fire Extinguishers: The annual inspection will be done on June 13 and 14.
- f. Gutters: MOTION was made by Keenie Bugenhagen and seconded by Owen Hodge to accept the proposal from Shenk Aluminum to clean all gutters currently in place, at a cost not to exceed \$2,100, as presented.

MOTION PASSED.

- g. Parking Spaces/Sidewalk: The Asphalt contractor has been delayed because of rain, and is now scheduled to begin next Wednesday.

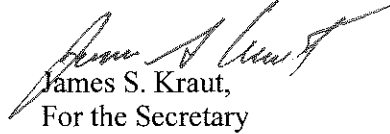
Public Comment: 1). The area behind the 100's needs more plantings. 2). Problems with a pressure line that services only one unit are an owner expense. 3). The Drywood Termites in Building H are being treated on an ongoing basis.

MOTION was made by Owen Hodge and seconded by Kate Koski Wilders that the meeting be adjourned.

MOTION PASSED.

The meeting was adjourned at 10:52 A. M. The next regularly scheduled Board of Directors meeting will be held on Friday, June 23, 2017, at 8:30 A. M., at the clubhouse.

Respectfully submitted,



James S. Kraut,
For the Secretary

Jim Kraut

From: Mike Wilder <mikepinerun@gmail.com>
Sent: Tuesday, May 23, 2017 6:15 PM
To: keenie bugenhagen; Kip Kellogg; Peter Campanelli; Thomas Foley; Owen Hodge; Kate; Jim Kraut
Subject: Logo Report for upcoming Board Meeting of May 26, 2017

Keenie and all,

Our Logo donations for the Lighting Project collected an additional \$335 during the month of April, and on May 1 we were \$524.25 away from our breakeven point. Of course, with so many people heading North, our donations have slowed down considerably. I won't have a final number until June 1, but as of today, May 23, we have received an additional \$142.00 during May. If no other donations come in before the end of the month, we will be \$382.25 from our breakeven point.

I expect sales to continue to be slow in June, and I will be away for July and August. Hopefully, things will again pick up in the Fall. We continue to have a large supply of size Large Tee Shirts, License Plates, Gap-style Caps, Mugs, and Coozies. Once most people have returned, we can determine if additional sizes in our Logo Tee Shirts are needed, and which sizes. We need to have a reasonable number per order to help keep the costs down. I would feel more comfortable having our merchandise donations be pure profit before we look at adding any additional Logo items.

Thanks to all for their generous support, wear your Logo Stuff, and keep up the spirit.

Mike Wilder

May 26, 2017 Pine Run Association
Treasurer Report
Owen Hodge

New Accounting Process

Our management firm of Keys Caldwell is now outsourcing the accounting for Pine Run finances. Our new accounting firm is Dowd Whittaker, in Venice. Dowd Whittaker has been our auditing firm for several years so there is already an established relationship there. One big change for Pine Run will be a new process for paying our bills. As before, invoices first go to Keys Caldwell. Actual checks will be written by the online service of Payables Lockbox, a very secure web-based system. Here is how it works. Invoices are scanned and emailed to the Payables Lockbox administrators. Every time an invoice arrives it is immediately posted to Dowd Whittaker and Keys Caldwell. At this point Keys Caldwell enters the codes indicating from which Pine Run accounts the funds are to be drawn. After approval by Dowd Whittaker and Keys Caldwell, the Pine Run treasurer or president will review the file online and approve, or else enter a written statement as to why a check should not be authorized. If approved, the physical check is printed out and mailed from Houston. The interval from when an invoice is submitted to when the check actually arrives to the recipient will be approximately one week. We have to keep this interval in mind from now on. To be clear: checks will no longer be issued on the 1st and 15th of the month. Checks will be processed as they arrive. (A very important resource with this service is a searchable archive of all past transactions done through Payables Lockbox.)

Beginning in June, Dowd Whittaker will be providing our monthly financial reports. I met with Thomas Whittaker for over an hour this week. I am confident that our finances will continue to be managed at a very high professional level.

Budget Input

It would be prudent for us to try to construct a 2018 budget by the end of September. If there are new projects for this budget they should be explicitly labeled. Suggested new projects need budget amounts to be as accurate as possible. Pine Run has no slush funds. For example, in the 2017 commons budget we have allocated \$14000 for tree trimming and removal. We will be applying some of those removal funds for tree planting which is a consequence of tree removal. Ideally, we need a separate category for tree planting and we should try to get things like that explicitly into the budget and planned for in advance. The more information we have by September 1, the better.

Reserves

I will be asking for board approval on a number of issues related to reserves. Here are the motions I will present.

1. **Put \$200,000 of reserve funds into a two year Certificate of Deposit from which we can make one withdrawal at no charge.** (Our current CD has expired. We can collect some interest this way and still have emergency access to the funds if necessary due to the major amount of roofing, painting and building restoration planned for the next two years.)
2. Borrow from reserves to pay the insurance bill of \$187509. The reserves will be replenished each month by one twelfth of the amount borrowed as the monthly assessments are collected. (This is what we have done for the past few years. It saves the amount of interest we would pay if we took out a loan.)

3. Authorize Dowd Whitaker to transfer funds from reserves to maintenance to pay for overruns in the projects related to special assessments. (This is a technical accounting matter to facilitate balancing our accounts. Board approval is needed to move funds from reserves to maintenance.)

Pooling reserves. In 2011 at the annual meeting the Pine Run Association voted to approve pooling reserve funds in each section. Funding the current Pine Run roofing and building restoration projects will require pooling the roofing and building restoration funds in each section. There is a lot of money in roofing and relatively little in building restoration. This makes sense because the bulk of the work by Hagen involves preparation for roofing. No formal motion is needed in this case because of the 2011 vote. Certainly board discussion is appropriate and welcome.

Roofing, Building Restoration, and Paint. I have been doing some calculations on the possible financial outcomes of extending the period for completion of the roofing, building restoration, and painting projects funded by reserves to something like 2021 in sections 1 and 2, and to 2024 in section 3. I think we need to be able to consider a range of alternatives before we commit to a specific schedule.

PRESIDENT'S REPORT MAY 2017

While many of our residents may have left for the summer, this has been an extremely busy month for the Board. We have had weekly meetings for topics ranging from preliminary budget planning, revising rules and regulations, and standardizing orientation sessions.

Mike Wilder has agreed to take over the Section 3 Orientation Sessions. It was determined that it would be better if the person who did these sessions be both a Board member and a resident of Section 3. A note of thanks was sent to Geri O'Donnell for having conducted these sessions for the last couple of years. Geri will be available to step in as a substitute if needed.

The lawsuits against the Association have been successfully resolved to the satisfaction of both parties, so I am happy to report that there are currently no legal actions against the Association. We may now change our answer regarding this on the Q and A section of the website.

Letters have been sent to the owners of 4 units in Section 1 for minor infractions as a result of the April walk-through. We need to schedule a June walk-through of Sections 2 and 3. The regular walk-throughs seem to be doing their job by reducing the number of infractions that we are seeing.

A letter was sent to Mr. Strom advising him that he has until June 30th to transfer ownership of his carport to one of his neighbors who does not already have a carport.

Dry wood termites have returned to 3 units in Building H, despite the extra service we have contracted for with Hoskins Pest Control. Hoskins has been working diligently with owners to limit these infestations. Owners have been advised to make sure that their sliders and doors have adequate weather stripping. We will continue to work with Hoskins and owners to solve this problem.

I have been contacted by the daughter of the new owner of 311 asking for permission for a ½ semi to leave a trailer equaling two car lengths parked adjacent to the center island in the 300's for no more than 3 days approximately June 23rd to 25th.

Owners who were listed as delinquent in their taxes in the recent publication included in the Herald-Tribune were contacted to alert them of their status.

I received a letter from some owners on the even side of the 700's concerned that invasive plants would be removed from behind their units this summer, leaving them open to Blackburn Point Woods. I sent a lengthy reply that there are no plans or funds to remove any plants behind their units this year or next year. I also included a rationale for our systematic removal of invasive plants, as well as recommendations from the Cooperative Extension in 2001 to Pine Run to remove specific invasive species, in addition to removing Schefflera and Ficus near buildings. Both of these are now listed as invasive species. I also received a call from the landscape chairperson at BPW because the concerns about removal of invasives between the two communities had been shared with residents of BPW. I assured her that no such removal was presently planned. She expressed a desire to begin to formulate a long-range plan to replace invasives with native plants, so that when the time comes, we have a plan in place. I will work with her on this.

Invasives were removed from along the fence line behind the 100's. I have a walk-through of the area scheduled this afternoon with the owner of the tree removal company. Additional clean-up needs to be done, as well as removal of a couple of things that were missed. Our landscapers, Brinker & Wilson, will do the finishing clean-up in preparation for plantings of native species. The cited fire hazard posed by the dead wood of the Brazilian peppers has been removed, and new plants will not be subject to competing with invasives. Empty beer cans inside our fence indicate that the dense foliage had been providing a shelter for trespassers. While they were here, I had Clean Cut sever the vines that were completely engulfing a Slash Pine. Once these vines have died, we will remove them. They also ground the large stump in front of the clubhouse. They completed both jobs for an additional charge of \$150.

Molly Summers continues to work to prevent the growth of new invasives in the entry areas. She pointed out a Carrotwood that had been missed last year. That was removed. She will now be expanding her work into the newly cleared area. GardenMasters applied liquid fertilizer to both turf and plants this month. In addition, they applied insecticide for chinch bugs, billbugs and ants. The drought and lack of irrigation has pretty much decimated grass in many areas, as well as provided perfect conditions for chinch bugs. The recent rains and progress with irrigation has encouraged grass in some areas, and weeds in others, notably sedge. The lack of healthy turf will need to be taken into consideration when budgeting over the next couple of years. We have seen a dramatic reduction in the number of trees needing to be removed because of beetles or disease. I am hoping that this will continue now that we are on a regular fertilization program. Because of the age of our trees and shrubs, we need to begin integrating young plants to replace those that are beyond their life expectancy.

PINE RUN ASSOCIATION, INC.

Sign In Sheet and Request to Speak on an Agenda Topic. Date: May 26th 2017

Name	Address/Lot #	Requesting to Speak Y/N	Topic (3 minute limit per subject).
Bud BARTLET	119 Woodcreek Pl	N	
Billie Dawn	109 Woodland Pl	Y	100's plantings
Ginny Burk	100 Woodland Pl	N	
Harvey Burk	100 Woodland Pl.	N	
Tom Cleary	713 Pine Run	Y	termites