

Palm Worth, Inc.
Annual Meeting of Members
Tuesday, February 17, 2015
Palm Worth Clubhouse
2850 South Ocean Blvd.
Palm Beach, FL 33480

1. CALL TO ORDER

Meeting called to order by Juanita Leary, Board President at 7:00 PM.

Other Board members present:

Jim Apostolico	Vice President
Glenn Keller	Treasurer
Marian Day	Secretary
Len Lilyholm	Director
Stacey Graiziger	Director
Art Boyle	Director

2. DETERMINATION OF QUORUM

Marian Day reports that there were 50 Shareholder/proxies therefore a quorum was met.
Building Manager Marcy Cresswell, LCAM was present.

3. PROOF OF NOTICE

Secretary, Marian Day verifies that she has received and verified the proof of notices of the mailings for the annual meeting

4. READING AND APPROVAL OF MINUTES OF PREVIOUS ANNUAL MEETING

Motion made by Marian Day to waive the reading and approve the February 18, 2014 annual meeting minutes. Second by Jim Apostolico and approved by all

5. REPORT OF OFFICERS

A. PRESIDENTS REPORT – Juanita Leary presented presidents report which is attached to the minutes. Juanita thanked the Board and the committees for everything they do. Juanita welcomed new owners Sandy and Harry Moran and Elaine Bartholomew.

B. TREASURERS REPORT - given by Glenn Keller is attached.

C. SECRETARY REPORT

The secretary Marian Day makes the following **motions**:

1. The Board of Directors of Palm Worth, Inc. be authorized to use Hafer and Company for auditing firm to perform 2015 annual audit and prepare 2015 taxes. Second by Tom Wallis and approved by all
2. The Board of Directors of Palm Worth, Inc. retains Peter Mollengarden as the corporate attorney until 2016 annual meeting. Second by Stacey Graiziger and approved by all.
3. The Board of Directors of Palm Worth, Inc. be authorized to cross fund the reserve accounts to the operating accounts, if necessary during 2015/16 and to borrow operating funds from the reserve funds if necessary. Second by Len Lilyholm and approved by all

6. COMMITTEE REPORTS

A. BEAUTIFICATION COMMITTEE – Vicky Gerwig stated that Phoenix is still doing the landscaping and that everything is going well.

B. PAINTING COMMITTEE – Len Lilyholm stated that he had walked the property with a company and had received specs to give out to 3 different contractors so that they are bidding on the same thing. Glenn Keller said that this is not just a simple paint job, there are many areas where paint is bubbling and will need to be removed, primed and painted, as well as metal chutes and extensive caulk work. A letter will be sent notifying shareholders that any hurricane shutters in need of repair, paint, rusty screws, etc are a private shareholder issue and will need to be addressed before or during painting of the building.

C. FRONT WALL COMMITTEE – Stacey Graiziger reviewed a board with pictures and information regarding the safety and possible removal of the wall. Juanita gave an estimated price to remove the wall as well as some prices for putting the wall back up. She explains that it would be a major expense if it falls and needs to be put back up because it would have to meet hurricane standards/codes. Juanita wanted to clarify that per Palm Worth By-laws a 2/3 vote is needed to make a material modification and that the Board is discussing sending a letter to vote that should the wall need to be removed that it will not have to be put back up. She also explained that based on a report by Slider Engineering, the wall was not structural and offered no additional protection for the clubhouse. Additional options are being looked at for the front of the clubhouse after the wall is removed.

D. CITIZEN'S ASSOCIATION REPORT – given by Michael Mellquist

7. MANAGERS REPORT – Report was given by Marcy Cresswell and is attached to the minutes

8. OLD BUSINESS – Juanita signed off on payment of the retainage fee for Waterfront and states that they have been very cooperative and finishing up some cosmetic issues.

9. NEW BUSINESS – Art Boyle has agreed to be chairman for the window committee. Anyone who is having issues with leaking windows should notify Marcy and Art Boyle. Art has agreed to work with Bob Krol regarding the approved windows and any issues with it.

10. SHAREHOLDERS QUESTIONS/COMMENTS

Microphone for meetings, gas grill, washers and dryers, chairs under storage, bikes and view of trash next door are some items that were brought up.

11. ADJOURNMENT – **Motion** to adjourn at 8:00 p.m. made by Jim Apostolico, second by Marian Day and approved by all

Minutes submitted by:
Marcy Cresswell, LCAM
Cresmarc Property Mngmt.
February 19, 2015

TO: Palm Worth Shareholders

President's Annual Report

First let me say, that I would like to thank all the shareholders and especially our year-round residents who have understood and endured the many months of construction necessary to get Palm Worth back to its best possible condition. I believe with the conclusion of all of the repair/replacement work that was accomplished the past year and a half we have attained that goal. Our property manager, Marcy, and our maintenance person, Kevin, were a vital part of the on-site team that made Palm Worth livable during the construction.

The year 2014 proved to be a trying one for our many shareholders who suffered poor health and numerous surgeries. Welcome back and hopefully a season at Palm Worth will prove to be the perfect cure. I would also like to welcome our newest shareholders, Sandy and Rusty Moran who purchased Unit 202 and Elaine Bartholomew who purchased Unit 203

I especially would like to thank the Board for all their support and participation. Jim Apostolico has been a very important "go-to" person for me for the experienced advice of a past president. Our Treasurer, Glenn Keller, has been very valuable in overseeing our finances and working closely with me on funding the necessary construction cost additions. And, without a doubt, Marian Day, as a full-time resident has not only performed all the necessary secretary's duties but all the added requests my numerous phone calls asked of her. I am quite sure she considered changing her phone number! Lenny Lilyholm has headed up the Building Maintenance Committee and has willingly undertaken all additional jobs such as the painting contract for the upcoming year. Stacey Graziger's enthusiasm in working with and organizing the Social Committee as well as taking on the additional duties as our Legal/Document Coordinator has been greatly appreciated. And, thanks to Art Boyle who will continue to bring to the Board proposals for best dealing with any plumbing issues as well as electrical issues that may arise.

The Board is particularly grateful to its Committees for the many hours and hard work put forth. Vickie and Dave Gerwig have headed up the Beautification Committee and have provided us with the beautiful flowers in our pots and in our landscape as well as coordinating with Phoenix Landscaping to ensure all contract work is being accomplished. Our representatives to the Citizens Association, Bill King, David Hobson, and Mike Mellquist, have continued to keep us informed of issues affecting not only our beach but our personal interest in developments near our property. The effort to keep the Laundry Room running smoothly is a challenge Mary Lane Cairns along with her crew have accepted. And, a special thanks to Jim Brennan and Sam Nemirow for all their time and effort working with the Palm Beach County & City Officials to protect our dunes and property.

No Board or Organization can function well without the support of the individuals they are representing. I thank you for your support.

Juanita Leary, President, PW Board of Directors

12/31/14 Year End Treasures Report

The attached numbers are from our bookkeeper and are subject to change when the outside audit is completed.

The profit & loss statement for the year ending 12-31-14, showed a loss of \$74,274. This is entirely due to the building & railing repairs expense last year. After using the available funds in the building/railing reserve account, the rest of the bills for the project were paid out of the contingency expense account. If you backed out the amount in excess of the budgeted amount in the contingency account (\$78,734) we would have showed a profit of \$4,460. The effect of the loss was to take the cash balance down to \$31,183, which leaves us with only a few thousand dollars of available cash after accounting for prepaid assessments and accounts payable. The other reserve accounts have a combined total of \$307,964."

Looking at the major expense categories, Utilities were \$1,305 under budget primarily from electricity savings, some of which could be attributed to the low voltage walkway and pond lighting and timer switches. Payroll was \$7,530 over budget, partly due to additional manager summer hours and part time maintenance hours needed to catch up on many deferred projects. Contracts was \$561 over budget. Administrative expenses will be \$800 over budget when the accrual of \$4,000 gets entered for audit and tax return expense. Repairs and maintenance expense after stripping out the \$78,734 referred to in the previous paragraph was \$7,857 under budget.

Manager Report for 2014

It was another busy summer here at Palm Worth.

There are just a couple more things to be done on the punch list and the railing project will be complete. While working on the maintenance room, the pool filters and all of the above ground piping were replaced with larger ones which allow for better water flow.

The South parking lot lights are working again. All new wiring was run under ground for all 4 lights which will make for much easier repairs in the future. We are looking into the possibility of replacing the fixtures in the parking lot ones that are brighter and more energy efficient.

We will be closing the storage unit and going through what is in there and getting rid of what is not necessary to keep.

The pond pump was replaced with a much quieter and more efficient pump. Kevin added a water feature which everyone seems to like.

The sidewalk in the backyard was fixed.

The womens bathroom was given a little facelift.

We are presently working on getting quotes from painting companies for the upcoming job this summer.

The Directory was updated and sent out to everyone along with the updated local list which includes local phone numbers, parking spaces and laundry times. If you need a new one see me.

I want to take a minute to recognize the work that Kevin does here at Palm Worth. He often starts what seems to be an easy task and many times it becomes a huge undertaking. He always has a good attitude and is willing and able to accomplish things that keep me from having to call a contractor and in turn saves Palm Worth a lot of money. He takes pride in what he does and often goes above and beyond.

I am working on the maintenance list for this summer and I will continue to monitor expenses, oversee projects and do my best to meet your expectations in the coming years.

Thank you to all of you at Palm Worth for another great year.

Marcy Cresswell, Building manager