

Palm Worth, INC.
Annual Meeting of Members
Tuesday, February 18, 2020
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 7:04 PM.

Board members present:

Juanita Leary	President
MaryAnne O'Bryan	Vice President
Glenn Keller	Treasurer
Marian Day	Secretary
Jim Curtis	Director
Rusty Moran	Director
Barbara Altenburg	Director

2. PROOF OF NOTICE

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

3. DETERMINATION OF QUORUM

Marian Day reports that there were 46 Shareholders/proxies present, therefore a quorum was met. Nichole Ware, property manager was present

4. READING AND APPROVAL OF MINUTES OF PREVIOUS MEETING

Marian Day moved to waive the reading and approved the minutes of the Annual Meeting of 2/19/2019. Second by Rusty Moran and approved by all.

5. REPORTS OF OFFICERS

A. The secretary Marian Day makes the following motions:

1. Marian Day moved that the BOD be authorized to retain Hafer & Co to perform the annual audit and prepare the 2019 taxes, Linda Brennan second, all in favor.
2. Marian Day moved that the BOD be authorized to retain Peter Mollengarden as the corporate attorney for PW for the year 2020-2021 effective 3/1/2020, second by Sue Apostolico, all in favor.
3. Marian Day moved the BOD be authorized to cross fund the reserve accounts if necessary during 2020-2021 and to borrow operating funds from the reserve account if necessary, Carl Lilyholm second, all in favor.

4. Valerie Nemirow moved to amend house rules that all shareholders consent to their personal information being published in Palm Worth's directory, second by Sandy Moran, all in favor.
- B. President's report given by Juanita Leary is attached. She welcomes Adam & Sophia Love, Bill Block and welcomes back Deborah Breeback. She thanked the social committee for a great party the night before, the BOD for their support and Gary However with the window committee.
- C. Treasurer's report given by Glenn Keller is attached.

6. COMMITTEE REPORTS

No comments from the beautification committee. Juanita Leary commented on how beautiful the grounds look

Window Committee- report given by Gary Hower is attached

Social Committee- No Easter party unless shareholders would like to volunteer, to do so, please contact MaryAnne O'Bryan. Golf outing is scheduled for March, 29th 2020.

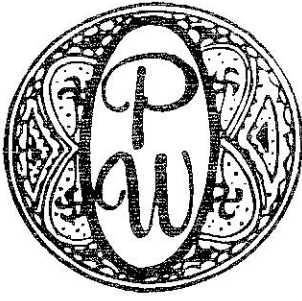
7. MANAGERS REPORT- report was given by Nichole Ware and will be attached to the minutes

8. SHAREHOLDER QUESTIONS/COMMENTS:

Suggestion that doors do not be replaced with glass doors and to consider the idea of shutters over front doors instead of looking for jalousie replacements. Mildred Grimm voiced her concern of her front door opening facing the ocean and the issues it entails when it is windy. Linda Brennan inquired about insurance, what our deductible is and the total amount our buildings are insured for. Shareholders shared their issue of vehicles, delivery trucks etc turning into Palm Worth instead of the Tideline, was suggested to reach out to google maps to correct GPS issue.

9. Adjournment- motion to adjourn at 8:03 by Juanita Leary, second by Sue Keller and approved by all.

Minutes submitted by:
Nichole Ware
2/21/20



Palm Worth

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ANNUAL LETTER

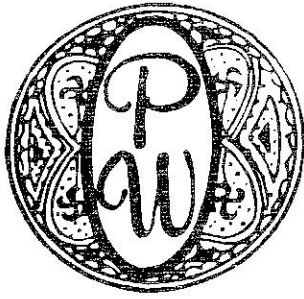
TO: All Shareholders

6 January 2020

I would like to start my Annual Letter to the shareholders with a "thanks" to all the shareholders who sent me those thoughtful get well wishes and offers to help in anyway. What I thought would be a relatively short recovery period for my knee replacement, became a months' long recovery because of the many complications! Also, a special thanks to Glenn Keller who stepped in to assist in the hiring of a new manager which involved so many hours of time in the office to ensure the transition went smoothly. Glenn as well as Marian Day were important in the interview process and answered my numerous calls going over all the pros and cons of our decisions. (I am sure they were wishing I spent more time in Physical Therapy!!) There were many reasons we decided to not renew Carl's contract when it came up and planned on pursuing other options in January when I would be at Palm Worth. As I have informed you, Nichole Ware will be our Property Manager starting in January and will be at the office daily from 11:00 am to 4:00 pm during the season. We were fortunate to have Ned and Nichole share the office and manager's workload during the months of November and December.

I believe it is important that the shareholders be kept informed of the condition of our buildings and the priority that this Board puts on making sure all facilities are maintained along with the importance of Preventive Maintenance where appropriate. This takes precedence over non-essential projects. In our 2020 Budget, we increased the amount allocated to the Window Reserve Fund in anticipation that the age and condition of some of the porch windows would require additional maintenance and replacement. I cannot explain enough the importance that the Window Committee, consisting of Gary Hower and Scot Northrop, has been in not only assisting with shareholders in replacing their windows but also handling the Palm Worth porch windows. In addition, they are working with the window contractor on a trial basis to attempt to waterproof, repair, and caulk two of the more deteriorated unit porch windows. In January, we will be setting up inspections of the porch windows so that we can get a better estimate of what repairs or replacements will be necessary in the near future. This will also require engineering support where necessary. However, we would also like to emphasize the importance of the shareholders maintaining the interior of their porch windows.

As far as the roofs, we have a yearly maintenance contract which inspects and repairs areas of the roof as needed. This has increased the life expectancy for our roofs. The North elevator had major repairs approximately 3 years ago to the electrical and the lines. Railings, stairways, support columns, maintenance room flooring, etc. have all been repaired or replaced. Maintaining a building on the ocean requires constant supervision and maintenance.



Palm Worth

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I specifically want to thank the Board for all their support. Rusty Moran continues to keep our Web Page updated. Mary Anne O'Bryan along with Sandy Moran, have made the social calendar at Palm Worth fun for all of us. Jim Curtis continues to support the building maintenance committee and has proven valuable to me for any support I need. With the fire alarm system going off on a regular non-emergency basis and with the Fire Department threatening to bill us for all non-essential alarms, I asked Barbara Altenburg and she readily agreed to work with Red Hawk, our Fire Alarm Contractor, on the problems and as to the cause of our malfunctioning system. I specifically want to thank Marian Day for all those trips down to the office to search for paperwork I needed as well as being available for the extra duties given you as Secretary. And – to Glenn Keller – Thanks. Glenn worked hard on handling the Palm Worth business in my absence this fall as well as working with me on the 2020 Budget. As usual, he did an excellent and thorough job.

The many hours the Beautification Committee of Vickie and David Gerwig spend each year selecting the garden flowers in the atrium area and the plants for the pool pots not only makes are building something special but also brings many compliments from all our visitors to Palm Worth. I am also grateful to them for all the additional hours they spend each year making sure the grounds are maintained and for coordinating with the Landscape Contractor to ensure the job is being done. Gary Hower has been a welcome addition to the Committee helping with the plant management. Also, Sandy Moran is heading up the Security Committee and has done an excellent job monitoring the parking lot and the beach – thanks Sandy.

Each year we lose someone who has been an important part of the Palm Worth community. This past year John McKinney passed away. John and his wife, Shirley, were long-time residents of Palm Worth. John was the Palm Worth Treasurer for many years and also served on the Board. There are many memories we share with John at the various Palm Worth parties he never missed and which he so enjoyed.

We also want to remember Dan Tiplick who also passed away this past year. Dan had been coming to Palm Worth since he was a young man and shared Apt. 106 with his mother, Nancy. He is remembered for his kind personality and his willingness to always offer a helping hand to all.

In closing, I want to thank all the shareholders for their support and the many hours they spend making Palm Worth "One Special Gem" on the ocean not only because of location but because of its people.

Sincerely,

Juanita Leary, President

Palm Worth Board of Directors

2020 annual meeting treasurer's comments

2019 was a good year for Palm Worth financially. As you saw in my annual report PW had a net profit of \$33,000, most of which came from fewer building repairs and not needing much from the contingency budget. This provided PW with available cash of \$24,000 at year end. It is important for PW to build up its available cash in order to meet unexpected events such as hurricanes or other shortfalls in the reserve accounts.

PW's reserve accounts had a total balance at year end of \$339,000. PW has 10 dedicated reserve accounts, each one has its own replacement cost estimate along with its remaining life, which yields a required annual contribution amount for that fund.

In 2010, PW had \$171,000 in its reserve accounts. As stated above we now have \$339,000 and this is after a major railing project, building repairs and painting the entire building. Also during this period extensive work was done on the elevators and the parking lot was milled and resurfaced.

This reinforces our Presidents words in her annual letter regarding the priority to maintain the building and that it takes a great deal of money to do that while at the same time the board tries to keep the annual maintenance fee as low as possible.

I would like to give you a little perspective on where we are now compared to 10 years ago.

In 2010, PW added \$46,000 to the reserve funds which was 12% of the total budget of \$339,000 and the estimated replacement cost was \$459,000.

For 2020, PW is adding \$72,700 to the reserve funds which is 16.5% of the annual budget of \$441,000 and the estimated replacement cost is up to \$841,000, almost double from 2010. We review this each year based on info we solicit from various contractors.

Our building is now 58 years old and maintenance in all areas will continue to be the boards main emphasis. Age plus salt wind spray are contributing factors that require our constant stewardship in order to maintain the fabulous place we live in.

WINDOW COMMITTEE - 2020 PROJECT LIST 2/15/20

<u>PROJECT</u>	<u>STATUS</u>	<u>ACTION</u>
Unit #106 Bedroom Window replacement	Scheduled for 1/23/20	Completed 2/14/20
Units #106 and #112 Waterproofing	Scheduled for 1/20	Completed 2/14/20
Unit #511 Shutter removal	Planned for summer 2020	
Unit #204 Bedroom Window replacement	Planned for summer 2020	NULITE has measured and will quote
Unit #202 Evaluate Bedroom window	planned for week of 1/20	Completed - Air leak at at bottom left corner. Not time to replace yet, optional.
Unit #406 Poor window screens, replacement	Scheduled for week of 1/23/20	NULITE - to provide correct screens
Unit #403 Porch window leak, investigate	Scheduled for week of 2/2/20	
Unit #104 Porch door and handle	Scheduled for week of 2/2/20	NULITE - Getting estimates NULITE AND LOCKSMITHS, will look at all porch doors.
Unit #112 Porch door and handle	Scheduled for week of 2/2/20	NULITE - Getting estimates NULITE AND LOCKSMITHS, will look at all porch doors.
Unit #112 Porch window screen missing	Scheduled for week of 2/2/20	Contacted installer. Mike to call Nicole or Gary to measure and order screen
Unit #109 Porch door and handle	Scheduled for week of 2/2/20	NULITE - Getting estimates NULITE AND LOCKSMITHS, will look at all porch doors.
Unit #108 Considering Sliding Door replacement	Planned for summer 2020	NULITE - working on quote.
Unit #309 Rust spots on window sill	In Process of evaluating	Need to re-inspect week of 2/17
Unit #501 Remove Hurricane shutter from Bathroom	Planned for summer 2020	NULITE - working on quote.
Unit #501 Replace Bedroom & Bath Windows	Planned for summer 2020	NULITE - working on quote.
Review 2019 List of Maintenance projects	Scheduled for week of 2/2/20	
Plan Porch Inspection Project	Started inspections and evaluations.	Need to determine best reasonable repair methods.

Unit #206 Bedroom/Living window

Owner considering replacement. Nulite working on quote.

Unit #208, Walkway windows and doors

Nulite working on quote. Need to review with owner week of 2/17

Research Jalousy window replication

Talked with several manufacturers of Jalousy windows. NONE APPROVED FOR FLORIDA.
Talked to several window companies and installers. NONE AVAILABLE, ALL WANT NEW WINDOWS
Talking to Eastern Metal about options like etching, film and grids to look like jalousy windows.

Managers' Report 2020

To start, I would like to thank you all for welcoming me as graciously as you have to Palm Worth, it has been a pleasure getting to know you all.

Since I have been on board full time, myself and the beautification committee met with the Oceans Edge to go over some landscaping concerns we had been noticing. We have had all the coconuts throughout the property removed as well as the seeds that fall from the royal palms.

Kevin has recently hosed down the buildings in attempt to keep the salt build up as minimal as possible.

New exit signs and outdoor lights have been ordered and have on hand to replace as needed.

Redhawk recently completed our annual Fire Sprinkler inspection, which went well other than a few minor issues that are currently being addressed. Main issue they reported is corrosion of some of the equipment which is obviously common here on the ocean. Redhawk will be back in March to do the annual fire alarm testing. The social committee is working on putting together a luncheon in the clubhouse to avoid some of the noises that will be going on while they are testing.

We have gone back to the original quarter plan, which is, if you need laundry money, please see myself or Kevin. We will take you to the laundry room and take coins directly from the machines so please bring a bag with you! It is easier for the ladies to count the money when it is all together. Speaking of laundry money, Marian & Elaine counted quarters in January and \$596.25 was collected.

We have been having issues with the pull station covers on the east side of the property where moisture is getting into the covers which triggers the alarm system. Currently, there are indoor/exterior covers on each box, which is why we believe to be having the moisture issue. The third floor, east side pull-station was continuously causing false alarms so we replaced the cover with an exterior cover with a weather proof gasket and we have not had an issue since. We have ordered covers with a weather proof gasket for the rest of the property which will be installed within the next week or two.

Directories have been updated thanks to Valerie and should be available to all very soon.

Anytime you see something on property that needs to be addressed, please continue to bring it to my attention as I do my very best to handle things as they come up. Please submit your requests to me either in person or via email. If you give your request to Kevin, I ask that you let me know as well so that not only am I aware of what you would like addressed, but so that I can follow up as well.