

Palm Worth, Inc.
Annual Meeting of Members
Tuesday, February 18, 2021
Palm Worth Clubhouse

1. CALL TO ORDER

Meeting called to order by Juanita Leary, Board President at 6:59 PM.

Other Board members present:

MaryAnne O'bryan Vice President

Jim Curtis Director

Barbara Altenburg Director

Treasurer Glenn Keller called in via conference call, Director Rusty Moran was absent

2. DETERMINATION OF QUORUM

MaryAnne O'Bryan reports that there were 48 Shareholder/proxies therefore a quorum was met.

Building Manager Marcy Cresswell, LCAM was present .

3. PROOF OF NOTICE

MaryAnne O'Bryan 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 MaryAnne O'Bryan to waive the reading and approve the February 18, 2020 annual meeting minutes. Second by Jim Curtis and approved by all

5. ELECTION OF BOARD MEMBERS – No election took place this year.

6. REPORT OF OFFICERS

A. PRESIDENTS REPORT – Juanita presented presidents report which is attached to the minutes. Juanita made mention of how saddened Palm Worth is for the loss of Marian Day and how much she will be missed.

Juanita read the report provided by the engineer regarding the necessary summer work.

B. SECRETARY REPORT

Fill-in MaryAnne O'Bryan made the following motions:

1. The Board of Directors of Palm Worth, Inc. be authorized to use Hafer and Company for auditing firm to perform 2020 annual audit and prepare 2020 taxes. Second by David Gerwig and approved by all

2. The Board of Directors of Palm Worth, Inc. retain Peter Mollengarden as the corporate attorney for the year 2021-2022, effective 3/1/21, Second by Sue Apostolico 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 2021 and to borrow operating funds from the reserve funds if necessary. Second by Don Graves and approved by all

- C. TREASURERS REPORT given by Glenn Keller is attached.
7. COMMITTEE REPORTS
- A. BEAUTIFICATION COMMITTEE –Highlighted by Vickie Gerwig, sod for walkways and north side of the building is expected this week. The beautification committee as well as Gary Hower cleaned out the staircase area by the pool and intend to install new plants.
 - B. SOCIAL COMMITTEE – MaryAnne mentioned that after reviewing the expected weather, they will continue the “Let’s Get Together” event
 - C. Window Committee – report given by Gary Hower is attached
 - D. Building Committee report given by Scot Northrup is attached
8. MANAGERS REPORT – Nichole commented on some of the reports given. Noted that AC condenser lines on the roof are being reviewed for poor condition, as well as electrical boxes. Shareholders will be notified of whose needs attention. Nichole thanked the shareholders for bringing things to her attention when they see something that needs to be addressed.
9. SHAREHOLDERS QUESTIONS/COMMENTS
- Linda Brennan made a request for the first floor walkways be cleaned more often. Joe Faga suggested for management to call Tideline to ask that their guests not use PW as a walkway. There was mention of trying rock or mulch in the future behind the north building if the new sod doesn’t make it.
10. ADJOURNMENT – Motion to adjourn at 8:20 p.m. made by Juanita Leary, second by Jim Curtis and approved by all

Minutes submitted by:
Nichole Ware, LCAM
3/15/21



Palm Worth

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ANNUAL LETTER
26 January 2021

As it comes time for me to deliver my Annual Letter to you, I cannot help but reflect on how this definitely will be a year I will want to forget. But - so much has happened to our country and to our Palm Worth community, that it is important we remember those we have lost as well as the stress, strain, and adjustments all our shareholders have had to endure. Quite a few of our shareholders have not been able to return to Palm Worth this season because of the coronavirus complications involved with travel.

Though I normally close my letter with a remembrance of those shareholders and their partners who have passed away, I want to put them front and center this year.

Dick and Esther Wing were long time residents at Palm Worth. Dick served as the President of the Board for several years and was always available to me for that support and experience so important to all of us. Dick and Esther thoroughly enjoyed competitive tennis and their daily swim in the pool. As so many of our residents, they were an important part of our community.

How can I express the importance of Paul Jones as a Palm Worth shareholder and that Michigan connection. So much of the character that makes Palm Worth special are the many parts of the country that make up our community. Paul's connection to Palm Worth goes way back and continues with his daughters and their families. I will always remember his daily morning walks, his love of family, his concern for Palm Worth's well-being and, of course, those weekly poker games.

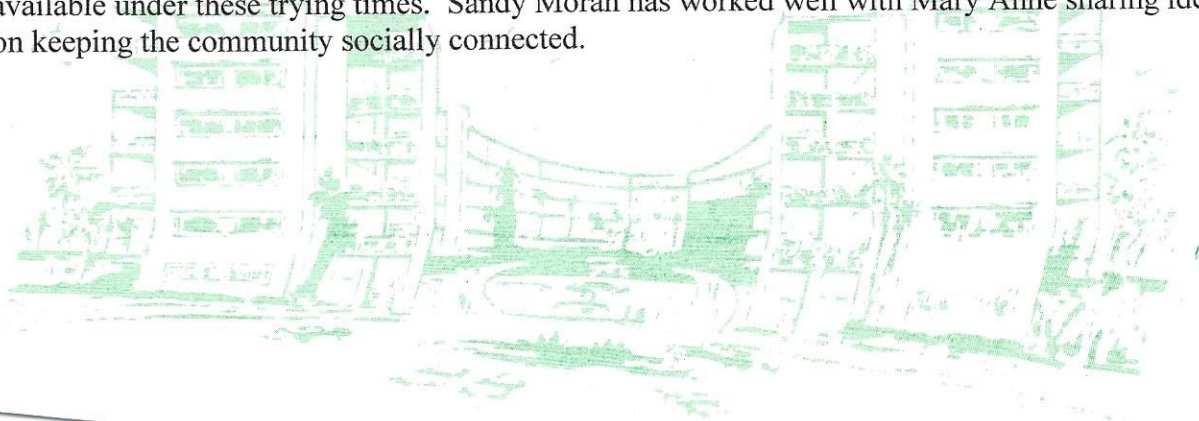
Also, the loss of Joan Lampe, a previous shareholder and partner to Don Graves, was a personal one shared by not only myself but by her sister, Jeanne Castillo, as well as her brother, Dan Schrage. She was an intricate part of the Palm Worth family and those many cruises she arranged for a group of Palm Worth shareholders as well as that energetic personality will definitely be fondly remembered.

I continue to appreciate the support and the assistance of the Board members in managing and contributing to specific areas of need and concern for Palm Worth.

Though we have not been able to meet on a more regular basis this past year we have communicated via email and phone calls. Though Glenn Keller has had to provide support and care for Sue, he continued to be readily available to work with Nichole and myself not just on the Budget but on many ever-occurring issues at Palm Worth. We all look forward to hearing Sue's health issue is behind her and they are on their way to Florida.

All may not know that though Marian Day is battling very difficult health problems, she makes every effort to continue to be an important contributing member of our Board and maintain our records as Secretary. Thanks Marian.

Mary Anne O'Bryan, as Vice President, willingly accepted responsibility to perform as President in case there was any crisis arising during my several surgeries. I appreciate her assistance and opinion. Also, as Social Chairman, she has made every effort to keep at least some social events available under these trying times. Sandy Moran has worked well with Mary Anne sharing ideas on keeping the community socially connected.



Thanks to Rusty Moran for keeping our WebPage current and available to all the shareholders as well as readily helping me out with other issues that arise.

In having Jim Curtis willingly available to help in solving and managing issues as they arise is not only appreciated but needed. Thanks Jim for your continuous support. Hopefully 2021 will be better for you also health-wise! I also want to thank Barbara Altenburg for assisting with our alarm system and initiating a comparison study on the Comcast contract for possible savings.

AND - though they often go unnoticed as far as "just" doing their job, we as a whole are grateful to Kevin and Nichole for keeping Palm Worth running smoothly. Kevin continues to be able to do it all such as replacing fencing, building a new gate, or just answering the latest PW building problem. Nichole has adapted well to the uniqueness of Palm Worth and been a big asset in responding to my many requests for soliciting contractors, keeping shareholders informed, etc. Please know your efforts are appreciated.

It truly is one of the most important assets of Palm Worth - our beautiful gardens and flowering pots. The many hours David and Vickie Gerwig spend every fall searching out the best plants for our atrium area and the flower pots as well as their planting, etc. is so appreciated. I have also relied on David and Vickie to manage the landscape company as well as all of the Palm Worth property landscaping and lawn. Thanks for all your work and time dedicated to keeping Palm Worth beautiful. Volunteers are important to Palm Worth's continued success such as Sue Apostolico's assistance in hopefully keeping the Laundry Room running smoothly. Thanks Sue.

Importantly, I have formed and the Board approved a new Building Maintenance Committee consisting of Scot Northrop as Chairman with the Window Committee as a Sub-committee headed by Gary Hower. Serving as members of the Committee are Glenn Watson, Richard Duffy, and Brad Sergeant. In addition, David Brooks, David Roth and Bill Bohn will serve as an Advisory Committee. I am very grateful to Scot and Gary for all the work they have put forth to date to just attempt to manage our contract with the Nulite Window Company as well as address our roofing concern for Tier 12. In addition, they are also soliciting estimates for the continuing requirement to do maintenance on our aging porch windows. I believe involving some of our younger shareholders, as well as others with Palm Worth building experience, will serve to benefit all of us as we continue to focus on the continued preventive maintenance of our beautiful building on the ocean. I will be meeting with this Committee on a regular basis and will be finalizing the proposed recommendations and requirements for window replacements by the Window Committee which I will discuss and cover with the shareholders. In addition, we have hired our engineer to do a 5-year evaluation of our building with the intent to address any immediate problems this coming summer if necessary. I should have this report hopefully within the next 6 weeks.

As I have said many times, the upkeep, continued maintenance, and preventive maintenance of this very uniquely designed building sitting on the ocean is a necessity. Over the years, we have all done a very good job protecting our building by being willing to ensure we do take care of this gem. I believe there will be a continued need to protect this beautifully designed architectural building.

Thanks,

Juanita Leary
Pres., Palm Worth
Board of Directors

Palm Worth Building Committee
Introduction to the Board meeting 2021

Committee Members

Scot Northrup Chair

Members

Gary Hower serves as the sub committee for the windows

Glenn Watson.

Brad Sergaent

Richard Duffy

The following are advisers to the committee

David Roth

Len Lilyhom

David Brooks

As the chair of the building committee, I discussed how the committee came to be. Two years ago Juanita asked Gary and I to review the problems with the porch windows. As we did our reviews we discovered there were other areas that were interfering with the windows. These items were not directly a part of the porch windows, such as the flashings and ponding on the roof, which then led to roof repairs and stucco repairs, jalousie window repair and replacement.

Current Building issues

Roof

Review current condition and advise PM of issues to report to the roofing contractor, since our annual review is approaching. Additionally the committee discovered issues with HVAC electric and refrigerant line insulation along with problems with the chase which houses the lines along the side of the porch towers.

Future issues to consider are:

Drainage of the roof to the surface grass level.

Concrete and stucco repair and painting.

Electric to the atrium and other common areas.

WINDOW COMMITTEE REPORT
ANNUAL MEETING - TUESDAY 2/16/21

A. PALM WORTH JOBS COMPLETED FROM 2020

1. Replaced 7 porch windows
2. Replaced first floor porch door handles and locks
3. Re-caulked 3 first floor porches to continue our testing program in an attempt to stop porch leaks. Last year we re-caulked one porch and have not seen any leaks. So far, the three we did in December also look successful.

Notes: Other porches were scheduled to be waterproofed and metal repair work done. This was NOT accomplished because Nulite encountered a variety of problems.

The waterproofing of 15 other porches was approved in November but Nulite was already behind and unable to do this work.

Interior porch metal repair and painting was attempted by Nulite. This was a test which failed due to the severity of salt air and water corrosion.

B. SHAREHOLDER JOBS COMPLETED FROM 2020

1. Owners had 5 exterior bedroom windows installed.
2. Owners had 2 exterior bathroom windows installed.
3. Owners had 6 exterior shutters removed.

C. PLANS FOR 2021

1. Jalousie maintenance project. This project is still on hold due to Covid but will start when we are allowed. We have 11 owners signed up for this work. This is a cleaning, treating and lubrication of all the aluminum. If you are interested contact the window committee.
2. Window Spring AND re-caulking of windows. This repairman believes he can make our window springs last longer and has given us a special price. If you need ANY window/door repairs, contact window committee.
3. We are having various windows measured and quoted for replacement. If you are considering EXTERIOR window replacements, contact the window committee ASAP.
4. We plan to continue the porch waterproofing project. Two companies are quoting the waterproofing of at least one tower which is 5 porches.

D. JALOUSIE RESEARCH IN PROGRESS

1. Jalousie research continues
2. We have located one jalousie manufacturer and continue looking for more
3. We have a list of unresolved issues and questions which need to be answered before we can complete our research.
4. We know that hurricane shutters will be required if we install new jalousies.
5. We are working on a presentation to attain Town of Palm Beach approval.

E. OTHER RESEARCH IN PROGRESS

1. One method of repairing and painting the inside porch window frames failed.
2. We are working on other ways to do porch framework repairs. Our goal is to make our corroded windows look nice for 5 years into the future.

NOTE: CONTACT THE WINDOW COMMITTEE TO DISCUSS YOUR WINDOW/ DOOR ISSUES!

2021 Annual Meeting Treasurer's Comments

I'll make just a couple of comments as the report I sent out with the financial statements covered the highlights of the year.

Palm Worth's annual budget consists of two areas. The first is the operating budget which covers the day to day operating expenses and is covered by the largest portion of your monthly maintenance fees. Last year we reported a net operating loss of \$413, which is basically a break even.

The second area that we manage involves the 10 reserve accounts that are shown on the balance sheet. These accounts include major roof refurbishment, building painting, parking lot maintenance, porch windows and caulking, elevators, pool maintenance, major plumbing & electrical repairs and building and railing restoration. The accounts are analyzed each year as part of the budget process. The additions to the reserve accounts comes from the other portion of your monthly maintenance fees. At year end there was \$379,802 in the reserve funds and we will contribute another \$73,000 into them during 2021. That may seem like a lot of money but the replacement cost that we are accumulating the funds for is more than \$880,000. We still have between 5 & 10 years of useful life in most of the reserve categories before we need to spend the funds. Even though we are building up the reserves, there may still be an occasional need for an assessment to be able to properly maintain our buildings.

Overall, we are in good financial condition.