

# **Annual General Meeting**

Proprietors of Strata Plan #50

Friday June 22, 2018

The Palms, Messel Ballroom

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## **Meeting Attendees**

### **Owners**

Mr. & Mrs. Hal Francke (HF)

Mr. & Mrs. Philip Wood (PW)

Andres De Armas (AA)

Peter Kirby (PK)

Mick McMullen (MM)

Doug MacKenzie (DM)

Travis Chmelka (TC)

Susan Turcotte (ST)

John Paulsen (JP)

Rory Murray (RM)

Mr. & Mrs. Peter Wilcox (PW)

### **Board Members**

Jim Nappo, Chairman (JN)

Stan Hartling (SH)

Kelly Carr (KC)

Kenny Rubin (KR)

### **Palms Representatives**

Jeff Morgan, General Manager (JM)

Butch Clare, Owner Operations Manager (BC)

Joanna Laird, Financial Controller (JL)

Dennis Voves, Chief Engineer (DV)

### **Hartling Group Representatives**

Patrick Van Hamme, CFO (PVH)

Tracy MacKenzie, Group Financial Controller (TM)

**1. Welcome and Greeting by the Chairman**

- Meeting commenced at 2:31pm by Chairman Jim Nappo.

**2. Establishment of Quorum**

- Quorum was confirmed by Jeff Morgan with total number of proxies received and number of owners in attendance.

**3. Approval of the June 1017 Annual General Meeting Minutes**

- Minutes approved.

**4. Review of 2017 Financial Statements**

- Financial statements reviewed by JL

**5. Review/Update of Strata Budget 2018 YTD (April)**

- Review completed by JL

**6. Update on Maintenance/Capital Expenditure Work – Elevator Proposal**

- JN said there was a \$2 million investment last year in new AC system. This year, there are no major projects.
- JM - New elevators to be installed in 2019. All eight of them. A deposit is expected to be paid this year for completion next year. This deposit of \$500,000 would come from the Major Reserve. Owners would be assessed beginning in December or January for the remainder of the overall cost. He further advised of ongoing problems with elevators. Pictures were shown of new elevators. A question was asked if there will be fans in the new elevators. There will be.
- SH suggested for all to go see the elevators at the Shore Club as we would be getting something similar.
- Another question was asked how long will it take to complete elevator project? Response was 4 weeks per elevator. During the elevator project which would be next fall, owners can be here but not guests. Sample schedule for project was reviewed.
- MM asked what the alternative is if the present project is not done. Response a face lift was considered, but a replacement will give longer life span.
- DV advised that its becoming a challenge to locate parts for these elevators. These elevators are no longer manufactured.
- SH spoke of future costs of delaying elevator project.
- PK Can the elevators be maintained for the next 10 years? DV this would be difficult.
- MM supported the project idea. He said no one has advised us to continue with maintenance to get another 5 years life span from these elevators. He asked what the cost to make the current elevators better? He prefers to see or know what's the tradeoff between a new system or ongoing maintenance.
- A question was asked are we voting on the elevator project?
- JN replied no. He explained that the vote today will only be for the Executive Committee.
- AA asked about owner's assessment cost for the project. The total assessment would be an estimated \$30,000 but would be spread out through next year.

## **7. Other Business**

### **Enhancement to 72 West/Electronic Keys/New Pool Chairs/Building Painting**

- SH discussed plan for 72 West expansion. He spoke of improving the resort's oceanfront food and beverage experience. We need to match what is provided at our competitors (ex. Grace Bay Club & Seven Stars Resort). We do not have the same experiences here as guests sit below the top of the dune.
- ST criticized the Pool & Beach operation. She explained that no more cold towels are handed out along with frozen fruit. She complained of the loud noise coming from the Pool & Beach employees at the towel station.
- SH advised that this is a management company issue and thanked her for advising us.
- JN started to discuss electronic keys for the suites. He advised that key cards will enhance the ability of the management company to better manage units. Electronic key cards will give you the ability to know who goes into rooms.
- ST said she thinks it's a good idea.
- JN expressed support for the card project at management company's expense.
- SH said management company will come up with half of the cost.
- MM asked if the key system will work with no electricity? It will have limited life if power goes off.
- KC expressed concern over the current security situation stating her clients have reported stolen items from their rooms.
- JM noted condition of pool chairs. The annual refurbishment cost of the chairs is quite high. It may be better financially to buy new chairs over the needed annual refurbishment. Outside as you leave there are chairs on display from the Shore Club for you to see.
- JM also spoke of the sample wall painting on building 3. All buildings need to be painted. The feedback & comments from the travel community and guests are the buildings are looking tired.
- SH stated that the life span of paint today would usually be 10 years with Benjamin Moore products. He also spoke of a rolling security gate at the entrance with a security booth being built

## **8. New Business – Voting for New Members of the Executive Board**

- JN asked for the voting process to start. Ballots with proxies were distributed by JM. JM collected completed ballots.
- JM announced that new board will be Jim Nappo, Stan Hartling, Kenny Rubin, Kelly Carr and Hal Francke.
- JN mentioned that there are new reporting regulations in the Turks & Caicos. Kelly Carr needs to provide documents to meet the criteria to serve on the board.

## **9. Adjournment of Strata Business Meeting**

- Motion to adjourn. First....Second..... Meeting adjourned at 4:29pm.