

Proprietors of Strata Plan #50

Annual General Meeting

The Palms, Turks and Caicos

Wednesday, May 4, 2022 | 1:00 pm

MINUTES

Meeting Attendees

Owners

Lynn Romkey
Peggy Wood
Catherine Caldwell
Andres De Armas
Maret & Thaddeus Asaro
Jim & Stephanie Crawford
Kelly Garrett
Silvia Taite
Marie & James Furcolow
Peter Wilcox
Jay & Patty Baker
Mark & Rosanne Regent
Paul Shultz & Shawn Kekel

Executive Committee Directors

Philip Wood PW Chairman
Stan Hartling SH
Hal Francke HF
Ken Rubin KR
Barrie Romkey BR
Peter Kirby PK
Art Mannarn AM
Rob Lawrence RL (via Zoom)

Various Owners via Zoom

Graham Thompson Attorney: Dominique Gardiner DG

Palms Representatives

Jeff Morgan, General Manager JM
Rhondi Hobson, Financial Controller RH

Hartling Group Representatives

Dennis Voves, Chief Engineer DV
Patrick Van Hamme, Chief Financial Officer PVH
Pierre Beswick, Vice President of Resort Assets PB

1. Welcome and Greeting by the Chairman/Election of Chairman for the Meeting

PW started the meeting at 1:03pm and was elected chairman.

2. Establishment of Quorum¹

JM confirmed establishment of quorum with number of owners present and proxies.

3. Approval of the Minutes of the April 2021 Annual General Meeting

PW asked if there were any comments or questions about the minutes. There were none.

Motion made and minutes approved.

4. Review of Strata Financial Statements 2021 and 1st Quarter of 2022

RH and PVH reviewed 2021 and 1st quarter of 2022 financial results.

5. Review Strata Budget 2022

RH and PVH reviewed the 2022 Strata Budget.

RH indicated that a loss was budgeted to not increase Strata fees for owners and retained earnings from previous years being available to cover any loss at the end of the year.

PVH explained the \$209,000 in retained earnings being transferred to Capital Expenditure (CAPEX)/Major Reserve accounts.

6. Review of Maintenance/Capital Expenditure Work 2021/2022

PB discussed CAPEX and Major work completed in 2021 and 1st quarter of 2022.

PB reviewed the CAPEX and Major budget for the remainder of 2022.

7. Other Business

a) Strata Fees, Capex Assessments, Reserve Balances

PW stated that a sub-committee of the board was formed to analyze the long-term CAPEX/Major Reserve needs for the property. The sub-committee based their work on a 2018 report done by BCQS.

AM reviewed the findings of the sub-committee. They recommend an increase of 25% in 2024 to the CAPEX/Major Reserve assessments. AM explained the recommendation by saying a smaller increase spread out over many years versus a larger increase spread out over less years.

PW added that future needs will change due to factors (ex. inflation), but this work provides a road map to follow. The board is working to be proactive.

¹ One-half of the persons entitled to vote present in person or by proxy shall constitute a quorum.

PB discussed the updated BCQS report. The report was extended a few years to include some larger projects (ex. AC system). The same format was used for The Sands which is an older property.

b) Design Review Overall Resort

PW noted that travel partners, guests and owners have been making comments about the condition of the resort. A board sub-committee was formed to work on the refurbishment project. Paul Duesing (PD), original designer of The Palms, was brought on to do a comprehensive evaluation and submit a proposal. The detailed report is expected in the next 45 days.

SH provided an overview of the refurbishment process noting that management company facilities will be included with the refurbishment.

c) Designated Rental Manager Structure

PW said that some resorts on island have had problems with owners renting units on their own (ex. VRBO). So, the board created a sub-committee to develop a Designated Rental Manager (DRM) agreement.

PW outlined the major reasons for the DRM and the DRM's objectives.

d) Proposed By-law Changes

PW stated that by-law changes need to be made for a DRM to be completed. PW noted that the board will send detailed information on the DRM and by-law changes. There will then be an owners' townhall meeting to answer questions and then an Extraordinary General Meeting (EGM) for owners to vote on DRM and by-law changes.

HF reviewed by-law change memo specifically for the DRM. Owners already in rental pool have contractual obligation through rental agreement to not rent their units on their own. HF spoke about some by-law changes (ex. Remote Meetings, Remote Voting and Size of Executive Committee). The Sands went through the same process for by-law changes successfully. We are following their format.

HF noted that by-law changes are only approved with two-thirds vote of entire ownership entitlements.

Peter Wilcox asked about case history on DRM.

SH summarized previous cases.

8. New Business

a) Voting for new members of the Executive Committee

Each nominee for the Executive Committee spoke.

Mariah Goodell spoke on behalf of Sara Whitford.

Voting for Executive Committee proceeded.

The following results were communicated to the owners via email after the meeting. Owners in bold were elected to the Executive Committee

Philip Wood	11567
Art Mannarn	11567
Stan Hartling	11352
Barrie Romkey	11273
Rob Lawrence	11052
Peter Kirby	10302
Ken Rubin	9748
Sara Whitford	7927
Hal Francke	6776

Thaddeus Asaro	6257
Kelly Garrett	6053

9. Adjournment

PW adjourned meeting at 2:55pm
