

# **Proprietors of Strata Plan #50**

## **Annual General Meeting**

**The Palms, Turks and Caicos**

**Wednesday, May 10, 2023 | 1:00 pm**

## **MINUTES**

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### **Meeting Attendees**

#### **Owners**

Lynn Romkey  
Chris Brown CB & Dr. Robert Brown  
Catherine Caldwell CC  
Paul Shultz PS & Shawn Kekel SK  
Kelly Garrett KG  
Kristen Gay KRG  
Luciano DelSignore LD  
Tom Callanhan TC  
Lana Iny Lawrence LIL  
Mark MR & Rosanne Regent RR  
Lou Gentine LG  
Carol Kirby CK  
Peggy Wood PGW  
Maret MA & Thaddeus Asaro TA  
Marie MF & James Furcolow JF  
Silvia ST & Mark Taites MT  
Sandy SG & Ken Gordon KNG

#### **Executive Committee Directors**

Philip Wood PW, Chairman  
Stan Hartling SH  
Hal Francke HF  
Barrie Romkey BR  
Peter Kirby PK  
Rob Lawrence RL  
Art Mannarn AM

#### **Various Owners via Zoom**

**Graham Thompson Attorney: Dominique Gardiner DG**

#### **Palms Representatives**

Jeff Morgan, General Manager JM

Rhondi Hobson, Financial Controller RH  
Dawn Jules, Owner Relations Manager DJ

### **Hartling Group Representatives**

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

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

PW started the meeting at 1:10 pm and introduced himself. He asked that each attendee introduce themselves which was done. There was a motion to elect PW as chairman. Motion was passed.

## **2. Establishment of Quorum<sup>1</sup>**

PW advised that JM confirmed establishment of a quorum with number of owners present and proxies.

## **3. Approval of the Minutes of the April 2022 Annual General Meeting**

PW asked if there were any comments or questions about last year's AGM minutes. There were none. A motion was made to approve the minutes and minutes were approved.

## **4. Review of Strata Financial Statements 2022 and 1<sup>st</sup> Quarter of 2023**

SH advised that an explanation of the variance report on the financial results will show what went well and what didn't go well rather than go line by line.

RH reviewed the 2022 and 1st quarter of 2023 financial results and the variance reports.

SH explained the work order billing process at the property and shared that the goal is to have a sensible budget that is properly balanced.

RH shared that security wages went up over the minimum wage.

## **5. Review Strata Budget 2023**

PVH reviewed the 2023 Strata Budget. He indicated that in order to offset increased costs that strata fees had to be increased by 10% to be able to balance the budget. He further stated that management fee was the other increase as well as maintenance payroll.

PB went through the increase of minimum wage leading to higher payroll. PB added that one change being made for 2023 is that there will be a Security Manager for the resort hired by WCSS (security service company). He indicated that there will be improved security for the property.

There was discussion about Somerset credit and issue with power meters at waste water treatment plant. CC expressed that she feels that due to the history with the Somerset, there should be a deposit.

SH advised that over the five years there have been great improvement with payments.

PB mentioned that there is a new management company who has been on top of their payments.

PW asked for a breakdown of the insurance costs be shown.

PVH shared the breakdown of the findings. He noted that we shopped around for the best valued coverage and changed brokers.

## **6. Review of Maintenance/Capital Expenditure Work 2022/2023**

PB discussed CAPEX and Major work completed in 2022 and 1st quarter of 2023.

PB reviewed the CAPEX and Major budget for the remainder of 2023.

PB mentioned there has been provision in the budget for a new vehicle.

LG asked how would the pool renovation impact the various expenditures.

PB advised that it would not be major.

## **7. Other Business**

### **a) Strata Fees, Capex Assessments, Reserve Balances**

PW explained that the capital expenditures is an annual budget trying to match funding with expenditures. He stated that the Major Reserve for long term expenditures has a substantial balance in the account when very recently it was quite low.

AM spoke in detail on the Major (long term capital needs). He noted that there may need to be an increase to the major reserve assessments.

PB discussed the updated BCQS report. The report was extended for a few years to include some larger projects.

PW advised that the sub-committee will evaluate the numbers shared. The executive committee will get back to the owners with their findings.

### **b) Proposed By-law Change & Designed Rental Manager Structure**

PW stated that there was a good discussion about the DRM concept and the reason for it at the AGM last year. The by-laws would need to be revised to allow for the initiation of the DRM. A subcommittee was formed which included HF, PK and RL. They have accomplished a lot on these two subjects.

HF reviewed the by-laws indicating that they have not been changed since 2005. He shared that designated rental manager subject which is a topic because of VRBO and Airbnb is what started the by-law review process. He stated that some points were put together as to why having a designated rental manager structure in place would be beneficial long term for the resort. In the summary, one of the main changes in the bylaws is to provide the ability to have a designated rental manager appointed by the Executive Committee. It does not obligate the Executive Committee to appoint a DRM

but it does give them the authority to do that. We are not ready to vote on the by-law changes at this meeting.

HF noted that the by-law changes are only approved with two-thirds vote of entire ownership entitlements, therefore when the time to approve comes, these revised and amended bylaws will be brought back to ownership for a vote probably at an extraordinary meeting and will not be left until next year's AGM.

HF also stated another major change to the bylaws is to make a provision to conduct meetings remotely including voting remotely. This is now being done now by everybody in their various businesses.

HF further stated that way there is not much reliance on proxies. The new bylaws do not lay out the terms for remote meetings or remote participation in meetings. It is left to the Executive Committee to create the rules and then share them with the owners.

### **c) Electronic Door Locks**

PW shared that the door locks have been discussed for a long time and got delayed as a result of COVID. The picture of the lock was shared. There will be a plate above to show the room number.

SH shared some of the benefits which included an easier process for guests as well as security and accountability. He advised that the cost will be split 50/50 with the management company.

An owner on Zoom asked if locks will not be placed on sliding doors. The answer was no.

PW noted that owners will be advised once the locks have been received to be installed.

### **d) Design Review**

PW shared that owners have been informed about the design firm to evaluate the rooms needs and provide recommendations for the refurbishment. He also noted that SH explained that he has engaged Florida EOA (Malcolm Berg's firm) to look at the common areas particularly around the pool area and 72 West. PW is waiting on the recommendations and costing information to be able to present a comprehensive report to the owners.

LG expressed concern of losing the present design of 72 west.

SH shared that the designer has all those concerns taken into consideration. SH advised that the proposed design will be shared in a townhall meeting where owners will have a chance to provide their input. The area is being looked into comprehensively.

### **Miscellaneous**

HF asked how many owners visit the website. Many owners advised that they were not aware it existed. It was decided that an email will be sent to all owners to find out who will require usernames and passwords.

PS raised the question on complimentary nights. There was a concern of going over the complimentary nights for a unit. PS was advised that the matter will be looked into.

CC stated that complimentary nights should only be used for marketing. She further stated if the rates go up it has to be reviewed on what is being reimbursed to owners.

PB stated that he agreed and provided some details and examples of what the rooms are used for on a complimentary basis. He further stated that this is being done on a rotation basis and it will be looked into further.

SH stated that the concerns mentioned are fair and should be reviewed and assured owners that the nights are not sold.

CC indicated that charges are applied for pest control whether or not the service is rendered and there should be better monitoring.

CC also asked if we have given consideration to providing refill water bottles to the guests on arrival along with water refill stations.

BH shared that this is presently being considered for implementation. PB and SH further discussed some of the logistics on this process.

## **8. New Business**

### **a) Voting for new members of the Executive Committee**

PW advised that there are nine positions on the executive committee. One director has sold their unit and another director will be selling their unit. He further stated that there are also two new candidates. Presently, there are nine positions and nine candidates.

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- 11874**  
**Rob Lawrence-11874**  
**Peter Kirby- 11657**  
**Kelley Garrett - 11488**  
**Stan Hartling -11261**  
**Barrie Romkey- 10522**  
**Sara Whitford- 10522**  
**Robert Brown- 10305**  
**Hal Francke-8887**

## **9. Adjournment**

PW adjourned meeting at 2:23 pm

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