BOCA WEST
COUNTRY CLUB

MINUTES

MEETING:	Board of Governors
DATE:	December 18, 2020
MEMBERS PRESENT:	P Kupperman, H. Boilen, B. Winikoff, J. Macher, H. Moskowitz, J. Banks, P. Echenberg, P. Edwards, S. Forman, J. Glassman, E. Hoffman, B. Lerner, C. Rosenblatt, D. Shifrin, C. Wolf, H. Liebman (ex-officio)
MEMBERS ABSENT:	
PARTICIPANTS:	M. Linderman, K. Campbell, D. Wright, L. Stefaniw
FOR INFORMATION:	The Board of Governors
ISSUED BY:	Philip Kupperman
ISSUE DATE:	January 27, 2021

Grievance

Grievance Appeal – 05-2020

The member involved in the grievance joined the meeting with her husband to appeal the final decision of the Board. The Member and her husband thanked the Board for the opportunity to appeal the decision and each read a prepared statement. The Member and her husband disagree with the basis of the grievance and request the entire grievance decision reversed and her suspension to end.

The Member and her husband were excused and the Board discussed the Member's appeal at length and made the decision to affirm the final decision of the Board.

Motion: On a motion made by Mr. Winikoff and seconded by Mr. Wolf, the Board unanimously denies the appeal made by the Member involved in grievance 05-2020.

Grievance 04-2020

Dr. Chavis presented the Report and Recommendation of the Grievance Committee in regards to a grievance complaint filed against a Member by Charlie Wolf, Chair of the House and Activities Committee on behalf of the Club, Officers, Administration and Staff. The Member involved in the grievance made derogatory comments both by e-mail and verbally to staff, Management and the Chairman of the Board affecting the welfare, safety, harmony and good reputation of the Club, in violation of Bylaw Section 10.02. The member apologized in the Grievance Committee hearing but had no explanation for the actions taken to cause the grievance complaint.

The Grievance Committee recommends a one year suspension; appropriate letters of apology be sent to Mr. Kupperman, the Board of Governors and the General Managers; and successfully complete an Anger Management course.

Motion: On a motion made by Mr. Lerner and seconded by Dr. Edwards the Board unanimously accepts the recommendation of the Grievance Committee with regard to grievance 04-2020.

Grievance 07-2020

Dr. Chavis reported that a grievance complaint was filed by a Member against another Member regarding an incident at the Dog Park that resulted in one of the dogs being bitten and needing emergency Veterinarian care. Both Members involved mutually agreed to settle outside of the Grievance Committee. The Member, who's dog caused the injury, will pay all Veterinarian costs resulting from the injury to the dog; the Member agreed to hold her dog's leash at all times; the Member is notified that if aggressive behavior of her dog is reported again they would be subject to full disciplinary process of the Grievance Committee.

Motion: On a Motion by Mr. Rosenblatt and seconded by Mr. Macher, the Board unanimously agrees to the terms of the settlement outside of the Grievance Committee.

Approval of Minutes

Motion: On a motion made by Dr. Edwards and seconded by Mr. Glassman, the minutes of the November 17, 2020 are approved as amended.

Chairman's Report – Phil Kupperman

Grievance 03-2020

The Member involved in the grievance has appealed the Boards decision made at the October 23, 2020 meeting and was scheduled to appear before the Board today. The Executive Office received a request from the Member involved requesting a postponement of the appeal. The extension was approved and the Member will appear before the Board at the January 29, 2021 Board meeting.

General Business

The Board and General Manager received a letter regarding the rules relating to a Club Board Member serving on a Village Board at the same time. The Club's Bylaws precludes Members serving on both Boards simultaneously. A Village Board Member is not restricted to seek election for the Club's Board as long as Village Board Member understands that they would have to resign from the Village Board if they are successfully elected to the Club's Board. Mr. Kupperman will respond to the Members letter.

The Club has received requests from younger Members to extend Gold Card privileges to parents. The Executive Committed tabled the request and will discuss when appropriate after Covid-19. The Club needs to ensure the current policy does not discourage younger members we are targeting in our marketing efforts from joining the Club.

The December 18, 2020 Membership Briefing has been cancelled. In place a joint Communique from the Chairman of the Board and General Manager will be mailed to all our Members. Topics covered include a financial update, review of Covid-19, a review of the initiatives implemented by this Board since February 2020 and an update of the Club Improvement Program. Members will be invited to send in questions that will be answered in a follow up Communique.

General Managers Report – Matthew Linderman

Financial Flash Report

For the period of December 1 through December 13.

Golf revenue is down from budget and last year due to restrictions in the Covid-19 guest policy as well as International Members still not able to come down to Florida for the season. However, golf rounds are 1,304 greater than last year due to an increase in Member rounds. The Member-Member and Twi-Nite Golf Events were very successful with a total 250 Members competing in the Member-Member event and a total of 431 in the Twi-Nite.

Golf and Tennis Retail revenues are down from budget and last year mainly due to restrictions in Guest policy due to Covid-19. The Holiday Sale/Shopping Bazaar and Trunk Shows generated some good revenue in December.

Due to the Covid-19 pandemic, spa services are down from budget and last year.

All Food & Beverage outlets that are currently open are experiencing good covers and revenues considering the limited capacity. To Go orders are still generating good revenue.

Delinquent Dues, Foreclosures and Downgrades

There are currently 102 delinquent Members, 46 of those have been delinquent for more than one year. Last year at this time there were 93 delinquent Members and 39 of those were delinquent for more than one year.

As of today there have been four foreclosures compared to one last year at this time.

As of December 16, 2020 golf is down 159 players compared to down 38 players last year and tennis is down 15 players compared to down 20 players last year. There are 29 players who took the Pickleball Membership which is up two from last year.

General Business

The first arrivals of our International Staff have brought some relief to the local staff who are exhausted as it has been a long six months with Covid-19. We are hopeful to have another 80 International staff arrive in the upcoming weeks. We are confident in the safety protocols in place which includes renting additional apartments to quarantine and isolate individuals that have been exposed. The Human Resources has created an International Housing Agreement which will hold staff accountable for their actions outside of work and in the apartments.

The tent for Tavern on the Court is going up today. It is an open air tent that extends across two tennis courts with a third court being used as an outdoor kitchen. Once tent is up and running we will shift dining around.

To-Go business remains strong. Lobsta night pop-up tonight has 900 orders placed. The upcoming Holiday To-Go numbers are higher than indoor dining.

Hanukkah dinner in Panache totaled 145 covers generating $5,946 in revenue and Hanukkah To-Go orders totaled 544 covers generating $17,925 in revenue.

There are concerns from some Canadian Members regarding International travel insurance. We have received information from our contacts at the Boca Raton Regional Hospital and an email will be going out to the Membership with a link of all Insurances accepted by the hospital.

New Year's Eve dining will be offered at My Pi, Prime Cut and Panache. If the tent is up and running My Pi reservations will be moved to Tavern on the Court for an open air dining venue.

The food trailer "Roadside Cravings" is being built and will be arriving in the upcoming weeks.

The current Gold Card restriction is effective through January 4. With the increase in positive Covid-19 cases following the Thanksgiving holiday period we would like to continue the current Gold Card guest policy for another two weeks in an effort to keep the positive Covid-19 down following the Christmas holiday period.

Motion: On a motion made by Mr. Macher and seconded by Dr. Edwards, the Board unanimously authorizes the General Manager to continue the current Gold Card guest policy through January 17, 2021.

We have received many requests to adjust the current quarantine and Covid-19 policies in place as they effect a large number of our "snowflake" Members who travel back and forth from up north to Boca West one week out of the month. A majority are golfers who continue to utilize the outside facilities regardless as the policy was a recommendation and not a requirement. I would like to recommend an adjustment to the policy to allow Members to utilize the outdoor facilities if they provide a negative Covid-19 test result before arriving in Florida. A negative Covid-19 test taken four days after arrival will still be required to use the inside facilities. An in depth discussion took place and the recommendation was put on hold for future discussion.

In Executive Session, the Board received an update on the future plans for a Welcome Center.

Executive Session ended.

Club Improvement Program

We are moving forward with plans for the Country Club Building refurbishment and update. If Panache business remains low we would like to close earlier and begin renovations as early as May 2021. Mr. D's will follow the same time line. We will continue to adjust with Covid-19.

We are also working with our Design Consultants for the Sports Center expansion and renovation. Our goal is to have the Design Development documents completed by the end of December and into the hands of the three contractors that have been vetted by the beginning of January 2021. We are hopeful to complete the bid process by the end of February 2021 so that we can select and award a final contractor by March 2021. The current plan is for some site work to begin as early as Fall 2021, the work will take place in a phased implementation process to minimize any Member inconvenience as much as possible including at that time the moving of the tee boxes on Course 1, hole 1. We are aiming to begin demolition and construction of the new Aquatics Complex, Sports Center Lobby, My Pi and Onyx and the new Grab-N-Go Market in April 2022 with completion by the end of November 2022.

IT Project

The IT project continues to move forward. We have had good results on the Spa module and we have begun testing the Beacon Technology that is paired with the Member App. Beacon technology will allow for an enhanced Member experience to include Member recognition with reservations pulled up immediately as a Member approaches outlets. Push notifications are also scheduled to be rolled out soon.

<u>Foundation report – Pamela Weinroth (written report provided)</u>

Boca West Children's Foundation finally held its 8th Annual $100,000 Golf Challenge, on November 22 raising more than $400,000 and gave over $200,000 to our charity partners giving affirmation that third time's a charm.

The event highlight was the annual Duck Drop in which 600 ducks were dropped from a crane with the "owner" of the duck landing closest to the hole winning $2,500. The winner, Michael Turetzky, donated his entire winnings back to the Foundation. The Club's Catering department outdid themselves and served a boxed breakfast, lunch stops featured lobster rolls, sirloin slider, sandwiches, French dip, cookies brownies and more. We could not have asked for better assistance than from JR and his Golf department.

We kicked off our raffle program at the Golf Challenge. Participants were able to purchase raffle tickets with prizes including a $7,000 shopping spree from Saks Fifth Avenue Boca Raton, a weekend at the Boca Raton Resort & Club with a round of golf, and a "Celebrity cruise on the fly," in which the winner can choose from a variety of cruises on dates that work for them, courtesy of Scott Grody Travel. Raffle tickets are on currently on sale.

Our newest initiative, Bikes for Tikes, has had a tremendous outpouring of support from the community raising almost $100,000 in the first few weeks. Our goal is 1000 bikes by Christmas.

Bikes have been delivered and assembled at JAFCO Children's Village and JAFCO's Ability Center. JAFCO's mission is to care for abused, neglected and at-risk children as well as those with developmental disabilities.

Bikes were assembled by Walmart of Delray Beach at no charge for the children at SOS Children's Villages Florida where a place of healing and hope are provided for children.

Place of Hope, where their focus is on providing programs and services to end the cycles of abuse, neglect, homelessness and human trafficking, received bikes.

Every child enrolled in the day care program at the YMCA of the Palm Beaches received a brand-new bike. The YMCA services one of the lowest economically challenged areas of our county.

The YMCA of South Palm Beach County will be using the bikes to teach bike safety.

In addition, the children of the American Association of Caregiving Youth (AACY) received bikes. These are children who provide assistance to household members who need help because of physical or mental illness, disability, frailty associated with aging, substance misuse, or other condition.

The Florence Fuller Child Development Center will be giving each child graduating from Pre-K a brand-new bike as part of our My First Bike program. FFCDC is dedicated to making a positive difference in the lives of children from economically challenged families.

On behalf of the staff at the Boca West Children's Foundation, we wish you, your families, the staff and the members of the Boca West Country Club all the best for a happy and healthy holiday season.

Mr. Macher then reported that the Foundation would like to thank the Board and Management of the Club for allowing the Foundation to have the golf tournament with Covid-19 protocols in place.

<u>Legal Report – Jerry Glassman</u>

The "Cost Sharing Agreement" has been finalized. The first action as it relates to the fining process for delinquent Club Members by BWMA in accordance with their governing statute is to be taken after 90 days which is January 2021.

A Pinelake resident, who completed an Internal Transfer, is having a difficult time selling the original unit and states Mandatory Membership as the reason her unit undesirable to sell. The Member has retained Counsel. Matthew Linderman and Leslie Kennedy inspected the unit with Chris Hammers of Boca West Realty and confirmed the unit is in very bad condition.

The Steering Committee will be scheduling a meeting with the Bridgewood Board to communicate concerns common to all the Bridgewood presidents.

Peter Blacklock, the Club's In-house Counsel has been added to the Rules and Regulation Update Committee. The Committee will reconvene after January 4 to review a redline version of the Rules and Regulations.

Finance – Joel Macher

Mr. Macher congratulated Kathy Campbell being named Chief Financial Officer.

Financial results for the month ended October 2020, before $26,500 of timing differences, were $671,400 higher than budget. Non- operating items netted to a $121,900 negative variance, and operating results came in $793,300 ahead of budget.

Non-operating items include Dues related to the number of non- paying members being in excess of the numbers anticipated in the budget.

As has been the case for a number of months, Covid-19 has had an impact on Club operations. Staffing levels have been adjusted to reflect our current business requirements and Member Activities throughout the Club have shifted from large in person events to smaller gatherings including virtual.

Total cash as of November 30, 2020 was $26.6 million with no outstanding balance on the Line of Credit. As of November 30, 2019 total cash was $16.2 million with no outstanding balance on the Line of Credit.

Motion: On a motion made by Mr. Macher and seconded by Mr. Kupperman, the Board unanimously approves the transfer of $1,290,898 from the Operating Fund to the Board Discretionary Fund leaving $1,000,000 in the Operating Fund as has been the Club's annual practice.

Mr. Winikoff reported that the Executive Committee and Management were presented with term sheets from both Fifth Third and Wells Fargo, our current lender. The purpose of the facility is to finance the Club Improvement Program approved by the Membership in March 2020. While both banks provided similar pricing and the same upfront fee, Fifth Third offered a Line of Credit of $45M over 5 years with an option to extend, at no additional cost, an additional 5 years whereas Wells Fargo offered a Reducing Revolver over a ten year period. Wells Fargo required Boca West to fund a Collateral Account of $2.7M should home sales fall below a certain level. Fifth Third had no requirement. Both Banks required Boca West to hedge the interest via an interest rate management agreement on the projected outstanding balances.

Based on the proposals presented, Management recommended moving forward with Fifth Third and the Executive Committee is in agreement.

Motion: On a motion made by Mr. Macher and seconded by Mr. Winikoff, the Board unanimously agrees and approves Matthew Linderman to sign the letter of intent with Fifth Third Bank.

Special Projects – Howard Liebman

Akoya

Akoya has 72 units sold with six additional pending sales that are scheduled to close in December.

Renovator

Sales are at 102 with an additional six pending. The purchase price versus the sold price has increased home values in the community by over $18 million.

Bulk Renovator

The two Bulk Renovators are in the process of renovating the units they acquired. To date no units have been listed. Boca West Realty will be promoting Bridgewood with a post card marketing mailing to move inventory.

The third Bulk Renovator has backed out.

Leadership Program

The third session was held on November 30. Howard Krosser, Bernie Schlifke and Brad Baecht presented an informative overview on BWMA and Jerry Glassman presented on Governance. Mr. Glassman introduced the Joint Venture (Steering Committee) subject matter. The fourth session that was scheduled for December 21 and has been postponed till January with another date was added in March.

Audit – Paul Echenberg

The Audit Committee met with the Independent Auditors on December 17 to review the Clubs Financial statement. There were no audit adjustments. Once again, Kathy Campbell and her staff were applauded by the Committee.

Motion: On a motion made by Mr. Echenberg and seconded by Mr. Macher, the Board unanimously approves the audited statements for signature.

Long Range Planning – Paul Echenberg

As previously reported we are working with the Legal Committee on revising the Application for Membership process.

Membership – Harriet Moskowitz

Motion: On a made my Mrs. Moskowitz and seconded by Mr. Rosenblatt, the Board unanimously approves the six new Memberships consisting of five new Members and one new home.

Membership Statistics

As of December 15, 2020, closed and pending sales to new members were 43 compared to 36 last year, including six new members in Akoya this year compared to seven in Akoya last year.

Mrs. Moskowitz reported that there is a request from a Member to add their single daughter in place of the Spouse who is incapacitated at a facility and the Membership office has received the required documentation.

Motion: On a motion made by Mr. Macher and seconded by Mrs. Banks the Board unanimously approves the request to add the Members single daughter in place of the Spouse.

Communications – Howard Boilen

Nothing to report in addition to the Committee minutes already distributed other than the increase in the number of downloads of the Member App.

Nominating Committee – Howard Boilen

Mr. Boilen reported that the Nominating Committee has presented a slate of six candidates: William "Bill" Berkowitz, Murray Perelman, Frank Richard, Robert M. Schwartz, David Shifrin and Charlie Wolf.

Tennis – David Shifrin

Nothing to report in addition to the Committee minutes already distributed other than Game Arranging times will be adjusted to two time slots to accommodate the loss of three courts due to the tent.

Golf – Steve Forman

Nothing to report in addition to the Committee minutes already distributed other than the Play for Pink tournament in March will be open to Members only. Nanna and Nicki are planning to participate. More information to come.

House and Activities – Charlie Wolf

Mr. Wolf applauded Matthew and his team on the addition of Roadside Cravings and Tavern on the Court.

Mr. Wolf presented and RFA for approval.

Motion: On a motion made by Mr. Wolf and seconded by Mr. Lerner, the Board unanimously approves RFA 1707 for AV upgrades to the Boardroom and the Executive Office Conference Room.

Fitness – Bob Lerner

The Covid-19 policy on face shields while in the Fitness Center has been amended. Face shields in lieu of wearing a mask is no longer accepted. Masks are to be worn at all times.

There was significant water damage in the aerobics studio and repairs are being made.

Overall usage of the Fitness Center is down with the exception of water aerobics.

Retail – Enid Hoffman

Nothing to report in addition to the Committee minutes already distributed other than "A Few of our Favorite Things" catalogue was introduced this week. We are hoping to bring in additional Holiday traffic.

Human Resources – Jeanine Banks

International Hiring and Flights

We were fortunate to have Bill Mayville and the attorneys come up with a plan to allow our H2b employees to start processing through the consulates before the January 1, 2021 Presidential Proclamation on Immigration. To date, we have 86 employees here. There are 12 employees from the first group that have to go in to the consulate for interviews and the majority of those are key employees. Visa interviews at the overseas Consulates will not take place until after January 1. There are 82 Group 2 employees that have sent their applications to the South African consulates. We hope to obtain their approvals by December 21. Given the uncertainty of the business demands coupled with the uncertainty of the visa approvals, 38 staff members that were going to be hired were cut from the program for this season. The maximum number of H2b staff members we will have this season will be 224 although it is expected that not all will get approvals from the Consulates. Also, we will have to continuously evaluate the timing of the approvals, arrivals and quarantine of the remaining staff. A few local clubs have cancelled their overseas programs completely for this season after the staff received their visas. All H2b employees obtain a negative Covid-19 test within 48 hours prior to their flight, quarantine after arrival and then take another Covid-19 test prior to starting work.

Recruitment

Human Resources is currently recruiting locally for positions in Golf Course Maintenance, Fitness, Aquatics and Spa, Server Assistant, Server, Hostess, Porter, Pressure Cleaner, and Culinary.

401-k Plan

We are getting ready to finalize the year and get a summary from Vanguard on how the plan performed during the 2020 calendar year. Then we will have to complete all of the end of year testing. Vanguard sent out all of the annual disclosures that are required directly to the plan participants. At the same time, we are encouraging everyone to review their accounts and investments to make the necessary changes.

Boca West Holiday Party

Unfortunately in this time of social distancing, we were unable to host the Holiday party as well as the Welcome Back Pep Rally this season. We are in the process of scheduling a series of small outdoor holiday gatherings so that Matthew can personally wish all Departments a very happy and safe holiday season with their families.

Employee Apartments & Bus Transportation

We are evaluating the housing needs very carefully so we don't overextend and rent too many apartments. We initially secured enough apartments to house 154 employees. With the pending approvals, we have increased the accommodations to allow 200 employees. This also includes vacant apartments in the chance that any H2b employees need to be isolated and quarantined. We have four apartment complexes this year. The Academy bus began service on Friday, December 4. We have purchased thermometers for each apartment so the staff can take their temperature before they get on the bus and also are practicing social distancing on the bus – one person per seat. All staff in housing has signed an extensive International Staff Housing Agreement to ensure the safety of everyone. We are not using the Human Resources Van this year because social distancing is not possible.

Staffing

The current number of employees is 594 this year compared to 848 last year.

BWMA - Phil Edwards

The BWMA Board meeting was held December 17 and a lower assessment to the Villages in 2022 was discussed.

Ombudsman – David Shifrin

Questions continue to be received in regards to the current Covid-19 policies in place.

Adjournment

There being no further business, the meeting adjourned to Executive Session at 1pm.