BOCA WEST
COUNTRY CLUB

MINUTES

MEETING:	Board of Governors
DATE:	March 28, 2024
MEMBERS PRESENT:	J. Banks, A. Schwartzman, R. Schwartz, E. Hoffman, A. Adler, J. Schraub, P. Edwards, J. Attermann, B. Berkowitz, M. Haberman, B. Lerner, B. Roberts, S. Roth, D. Schulman, R. Shulman
MEMBERS ABSENT:	
PARTICIPANTS:	M. Linderman, K. Campbell, L. Stefaniw, L. Corman (Grievance), R. Chavis (Grievance), R. Zenker (Foundation Report)
FOR INFORMATION:	The Board of Governors
ISSUED BY:	Jeanine Banks
ISSUE DATE:	May 14, 2024

Jeanine Banks welcomed the Board and thanked the Executive Staff for their support and welcome in these past few weeks.

Larry Corman, the Clubs outside Counsel, was welcomed to the meeting.

Grievance Committee – Rick Chavis

Danny Schulman recused himself from Grievance Appeals 02-2024 and 03-2024.

Larry Corman was present for Grievance Appeal 02-2024 and 03-2024.

Grievance Appeal – 02-2024

Jonathan Schraub reviewed the Grievance Appeal with the Board.

Equity Members of Boca West Country Club were suspended for a period of one year, as a result of Grievance filed against them by Enid Hoffman, Chair of Membership. The Members repeatedly violated Club Rules and Regulations by allowing their adult child, a Non-Member resident, accompany them to various venues in the Club.

Equity Members noted an appeal from the suspension and expressed their desire to have the suspension lifted.

Any consideration in lifting the suspension would be dependent on an undertaking by the Equity Members to follow all Club Rules and Regulations and specifically agree to not allow the Non-Member resident to accompany them on Club property or utilize Club facilities.

The Attorney for the Equity Members provided a letter to the Board indicating the Equity Members intent and commitment to follow all Club Rules and Regulations and specifically not to allow the Non-Member resident to accompany them on Club property or utilize Club facilities. The Equity Members stated that their adult child would comply with the above.

Motion: On a motion made by Jonathan Schraub and seconded by Enid Hoffman, premised and in reliance on compliance with the written commitment as outlined above, the Board unanimously approves the suspension issued to the Equity Members be vacated.

Grievance Appeal – 03-2024

The Member involved in the grievance appeared before the Board with their Attorney to appeal the final decision of the Board. The Attorney provided an overview of the Member in relation to the Grievance. The Member thanked the Board for the opportunity to appeal the decision, apologized and asked for mercy in the length of the suspension.

The Member and their Attorney was excused and the Board discussed the Members appeal.

Motion: On a motion made by Jonathan Schraub and seconded by Phil Edwards, the Board agrees to reduce the suspension to six weeks, while in residence, from all activities and venues at Boca West Country Club; and any future violations of Club Rules, Regulations and Bylaws may be subject to the maximum penalty of a two year suspension.
9 for; 5 against; 1 recused

<u>Legal – Jonathan Schraub</u>

Jonathan Schraub introduced the Club's Construction Attorney to the Board. They have assisted the Club with communications to the Contractor to ensure our protection and to enforce our contract rights so that T&G, our Contractor, will complete the project, honor deliverables and ensure the standard of quality required by the contract.

The Construction Attorney presented an overview of the project to the Board as well as an overview of the Letter of Default sent to T&G Construction on March 12, 2024.

Foundation Report – Richard Zenker

Richard Zenker shared a video of a news segment that aired on the Foundations Diaper Drive and presented the written report provided by Pamela Weinroth.

We have just completed our eighth Annual Diaper Drive. Families struggling to put food on the table, buying diapers is simply not in their budget especially since food stamps cannot be used to buy diapers. Our mantra is "no diapers, no daycare; no daycare, parents can't work and if parents can't work, the cycle of poverty is perpetuated". The wholesale cost of diapers has increased by more than 20% for the second year in a row. Last year we were thrilled to be able to distribute more than 280,000 diapers. This year, we broke our record and donated the equivalent of just over 300,000 diapers.

On March 25, your Foundation held its 12th Annual Golf Challenge and raised more than $600,000 for "our" kids. More than 400 golfers competed for 24 of our charities for shares of the $100,000 prize money.

Our fourth annual Bikes for Tikes Program is in full swing. Last year member's generosity enabled us to provide bicycles and helmets to 400 children. Pre-K graduates of the Florence Fuller Center and YMCA of South Palm Beach County each received a bicycle and a helmet. Also included is Roots and Wings in our distribution list. The smiles on "our" kids' faces when they see their first bikes are priceless.

On April 17, the Foundation will hold its first ever luncheon event. We are thrilled that Chef Alex Guarnaschelli, one of only three female Iron Chef's in the country, will be joining us. As of today, we expect more than 500 people to attend…and it's not just for women. VIP tickets will receive a Chef Alex cookbook as well as a chance to meet her before the luncheon.

We would like to take this time to thank the Board of Governors of the Boca West Country Club for its support of the Foundation. Your commitment to the cause has been truly remarkable, and we are deeply grateful for the time, effort and resources, including staff and volunteers, you have devoted to the Foundation. Thanks to this support, we have been able to make a difference in the lives of so many children and their families in our community.

The Club's dedication to philanthropy and community service is an inspiration to our community and we feel honored to have your support.

Approval of Minutes

Motion: On a motion made by Arthur Schwartzman and seconded by Phil Edwards, the minutes of the February 23, 2024 and March 12, 2024 Board Meetings are unanimously approved.

Chairman's Report – Jeanine Banks

Jeanine Banks welcomed the three new Board Members as well as Bill Berkowitz and Bob Schwartz as returning Board Members for their second term. The Board was reminded of the processes and parameters discussed in the new Board Member orientation.

General Business

The Boca West Master Association Annual Meeting was held on March 22 and the 2024/25 Board of Directors was announced: Danny Bejarano, President; Jeff Greenfield, 1st Vice-President; Steven Jonas, 2nd Vice-President; Marc Grumet, Treasurer; Ronnie Pollard, Secretary; Ruth Molina, Director; Liz Rome, Director.

An update on the construction is in process and will be sent to the Membership in the next week.

Committees

Jeanine Banks thanked the newly appointed Committee Chairs and Vice Chairs. The Committee selection process has been completed and approved.

The Committee meeting structure and the meeting minute process was reviewed.

Committee Goals are to be submitted by May 1, 2024.

The Grievance flowchart has been revised and a copy was distributed to the Board.

General Managers Report – Matthew Linderman

Financial Flash Report

For the period of March 1 through March21, 2024.

Golf Operations revenue is currently lower than budget due to unfavorable weather.

Golf Retail merchandise and equipment revenue is ahead budget due to the success of the March Madness 'Spin the Wheel' sale as well as the Bugatchi Truck Show sale.

Fitness and Spa is experiencing a strong March with revenues and services ahead of budget and last year. The positive variance to the budget is due to an increase in facial treatments, massages and personal training sessions.

Food and Beverage restaurant outlets are experiencing a strong March with revenue and covers ahead of budget. A Night in St. Barths event was a great success with over 700 covers each night. Market Square continues to be a great success.

Catering is currently lower than budget due to the timing of events, this is expected to improve by month end.

Delinquent Dues, Foreclosures and Downgrades

There are currently 15 delinquent Members and nine of those have been delinquent for more than one year. Last year at this time, there were 23 delinquent members and 14 of those were from previous years. The reduction in delinquent Members for more than one year is due to the Joint Venture lien initiative.

As of today, there are three foreclosed units compared to six at this time last year.

As of March 28, 2024 there are currently 2,071 Golf players which is up 88 players from last year. This is up 28 more players than in fiscal year 2008/2009. There are currently 344 Racquet Sports players which is

up 94 players compared to last year. The Racquet Sports community has not had this many players since fiscal year 2012/2013.

General Business

The Club participates in golf reciprocal programs with neighboring Country Clubs each year. Matthew Linderman made a recommendation not to participate this Summer due to the re-grassing of Fazio II and the annual aerification projects. The Board is in agreement.

Working with Cobalt, we are finalizing online payments for Member statements to begin this Summer.

The waterproofing of the terraces in the Golf and Activities building has failed. The building had a five year warrantee and there is a seven year statute for issues. July 2024 will mark seven years since opening the building. The Club has put Hedrick Brothers on notice. Areas affected are the Grand Central terrace, the main Cardroom terrace and the terrace outside Fazio and Dye rooms.

Construction Update

T&G Contractors have notified us that April 15 is the construction completion date.

The furniture installation is scheduled to begin on April 8 and will take a full week to complete. We are hoping to open the building a week after the installation is complete. Blue Point and Aria are tracking to open towards the end of April. The date of the ribbon cutting is still to be determined.

We are planning to open the Locker Rooms and Pilates Studio on Monday April 1.

Construction on the new Multipurpose Art and Culinary Studio will begin this Summer and is estimated to take six months to complete. This Studio will be located on the second floor of the Engineering building, which is attached to the Golf and Activities building and there will be no interruption to Member activities during construction.

We are still in the planning process of the Golf Course construction and the design teams are working on the presentation. Master plans will be presented to the Board for the reconstruction of Course I and III in the upcoming months.

Human Resources

The Human Resources department is in the final stages of intern recruitment for the Summer. We have a strong group College interns and J1 Irish interns who have committed. We are investigating the possibility of recruiting in Puerto Rico as there are no visa requirements or restrictions.

<u>Audit– Joan Attermann</u>

There are two ongoing audit engagements:

Technical Assistance Advisement (TAA) – Florida Sales Tax Holiday

The Florida Department of Revenue has advised that they have completed a draft response. This response will need to go through many levels of review within the Department of Revenue, after which it will then go to the Office of General Counsel for further review.

Construction Cost and Change Order Analysis

The Club has engaged a Forensic Accounting Firm to get a better understanding of the increase in costs.

Budget – Enid Hoffman

Enid Hoffman reported the Budget Committee meeting calendar has been finalized with the first meeting today, following the Board Meeting.

Finance– Arthur Schwartzman

Arthur Schwarzman reviewed the financial highlights for the month of February.

Golf – Danny Shulman for Bob Lerner

Danny Schulman presented three RFA's for approval:

RFA 1868 for the budgeted expense to purchase a Utility Tractor for Golf Course Maintenance.

Motion: On a motion made by Danny Schulman and seconded by Mark Haberman, the Board unanimously approves RFA 1868.

RFA 1869 for the budgeted expense to purchase a Debris Sweeper and RFA 1870 for the budgeted expense to purchase two Debris Blowers for Golf Course Maintenance.

Motion: On a motion made by Danny Schulman and seconded by Phil Edwards, the Board unanimously approves RFA 1869 and 1870.

Human Resources – Bill Berkowitz

International Staff

We are in the process of scheduling the departure dates for the International Staff. They are permitted to stay until June 30, for the first time under the H2B program. Over the next few months, we will be gathering end of season ratings and rehire eligibility from all the departments. We anticipate a 65% - 70% return ratio for next season.

H2B Visa Process

We will begin preparing all of the preliminary paperwork to start filing the petitions for next season's H2B workers. We have been consulting with Workaway International and our immigration counsel to make sure that the applications are submitted at the earliest date possible. First step will be to apply for the Prevailing Wages which will be submitted within the next month.

Employee Apartments

We are meeting with Workaway Housing this week to review apartment inventory. The goal is to effectively retain the apartments necessary to ensure securing apartments that will be needed next season. Housing shortage continues to be a serious concern.

Recruitment

We are exploring additional alternatives to hiring J1 Visa employees and interns for the summer, such as recruiting in Puerto Rico. Although housing will still be required, the lack of Visa restrictions makes this a better option as employees will be able to stay until end of September, if needed. Also ramping up recruiting of local employees. Will need to analyze pay scales to remain competitive in the industry.

College Intern / Boca West Academy

We had a successful career fair season and have several college interns that we expect to join us this summer. Our new Director of Quality Development and Engagement continues to establish and expand our relationships with local universities as well as the University of South Carolina. And she will be rolling out our new and improved Boca West Academy Internship program.

Staffing

The current number of employees is 978 compared to 859 last year.

Leadership Development – Philip Edwards and Bill Berkowitz

Phil Edwards thanked the Board Members who submitted names for potential participants to the Leadership program.

The first session is scheduled for April 16. The Board is encouraged to attend.

Lifestyle and Wellness – Robin Shulman

Robin Shulman presented an RFA for approval; RFA 1871 for the budgeted expense to purchase spa deluge showers and a boiler for the Spa showers.

Motion: On a motion made by Robin Shulman and seconded by Arthur Schwartzman, the Board unanimously approves RFA 1871.

Membership – Mark Haberman

Membership Statistics

As of March 25, 2024, closed and pending sales to new Members were 96 compared to 105 last year.

Board Approval Needed

Motion: On a motion made by Mark Haberman and seconded by Phil Edwards, the Board unanimously approves the 13 new Member Nominees, three Internal transfer Memberships, 2 Companion Nominees and one Legacy Guest Nominee.

Ombudsman – Steve Roth

Steve Roth reported that he has received questions on the Clubs guest policy. Matthew Linderman advised that we are in the process of doing a comparison with neighboring Clubs on their guest policies and will share it with the Board once complete.

Special Projects – Bob Schwartz

Renovator Program

In summary, total Market Value appreciation is $43.3 million. There are 10 units under renovation, seven units for sale and eight pending sales for a total of 25 additional units to be sold under this program. These additional units to be sold will generate another $2.9 million in new Joining Fees. In addition, of the total 243 units acquired under this program, 44% were formerly Nonperforming or Non-Equity units. This program has increased our annual dues revenue by over $2.1 million, saving our dues paying Members over $600 per year.

Regular Renovator

There are seven active Regular Renovators.

As of February 29, 2024 the Renovator Program is at 185 acquisitions. There are 170 renovated units sold with six pending sales and two units for sale.

Total Market appreciation is $30.8 million.

There are 15 units now under construction and not for sale, five of those units are required to and are currently paying social dues for this fiscal year. One is delinquent and we plan on deducting the dues plus interest upon the unit's sale.

Bulk Renovator

As of February 29, 2024 the Bulk Renovator Program has a total of 59 units acquired. There are 49 renovated units sold with two pending units for sales.

Market Value appreciation from these sales is $12.5 million.

Of the 10 units now under construction and not for sale, two of those units are required to pay social dues for this fiscal year. One is delinquent and we plan on deducting the prorated dues plus interest upon the unit's sale.

Combined Units

Another Member has now acquired a contiguous unit in Lakewood Mid Rise I with the intention to combine them. We have not yet received their plans or approval from their HOA.

To date, seven units have been combines and approved under this initiative.

Unscheduled Topics

There were no unscheduled topics to discuss.

Adjournment

There being no further business to discuss, the meeting adjourned to Executive Session at 12:45pm.