BOCA WEST
COUNTRY CLUB

MINUTES

MEETING:	Board of Governors
DATE:	April 25, 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, R. Chavis (Grievance), R. Zenker (Foundation Report
FOR INFORMATION:	The Board of Governors
ISSUED BY:	Jeanine Banks
ISSUE DATE:	June 14, 2024

Grievance Committee – Rick Chavis

Grievance 04-2024

Rick Chavis presented the report and recommendation of the Grievance Committee in regards to the grievance complaint filed by Arthur Adler, Chair of House and Activities. The Member involved in the grievance engaged in inappropriate and improper conduct at the St. Barths event of Friday, March 15, affecting the welfare, safety, harmony and good reputation of the Club, in violation of Bylaw Article X Section 10.02.

The Grievance Committee recommends the Member be suspended from all activities and venues in Boca West for a period of two weeks while in residence, followed by a probation of six months, while in residence and appropriate letters of apology to the Board of Governors, the Chair of House and Activities Committee and Matthew Linderman, President, COO and General Manager.

The Board discussed the grievance.

Motion: On a motion made by Bill Berkowitz and seconded by Robin Shulman, the Board accepts the Grievance Committee Recommendations.
13 in favor; 2 opposed.

Grievance 05-2024

Rick Chavis presented the report and recommendation of the Grievance Committee in regards to the grievance complaint filed by Steven Roth, Chair of Racquet Sports. The Member involved in the grievance engaged in inappropriate conduct and unsportsmanlike behavior at a Tennis teams event on Tuesday, March 12. In accordance with Section 10.02 of the Clubs Bylaws this behavior and conduct endangers the welfare, safety, harmony and good reputation of the Club.

The Grievance Committee recommends the Member be suspended from all Racquet Sports at Boca West for a period of one year, followed by a probation period of one year; and appropriate letters of apology to the Board of Governors, the Chair of Racquet Sports Committee, Matthew Linderman, President, COO and General Manager and John Joyce, Director of Racquet Sports.

The Board discussed the grievance.

Motion: On a motion made by Mark Haberman and seconded by Jonathan Schraub, the Board accepts the recommendation of the Grievance Committee, with the addition of a permanent ban for the Member to represent Boca West on team sports.
10 in favor; 5 opposed

Grievance 06-2024

Rick Chavis presented the report and recommendation of the Grievance Committee in regards to the grievance complaint filed by Arthur Adler, Chair of House and Activities. The Member involved in the grievance exhibited improper conduct inside the janitor's closet at Cabana Bar & Grill on Thursday, March 21, endangering the welfare, safety, harmony and good reputation of the Club, in violation of Bylaw Article X Section 10.02.

The Grievance Committee recommends the grievance be dismissed. This conclusion was reached unanimously following appropriate investigation by the Committee.

The Board discussed the grievance.

Motion: On a motion made by Arthur Schwartzman and seconded by Bob Lerner, the Board overrules the Grievance Committee recommendation and unanimously agrees the Member be suspended for a period of two-weeks, while in residence; appropriate letters of apology to the Board of Governors and Matthew Linderman, President, COO and General Manager.

<u>Foundation Report – Richard Zenker</u>

I am extremely pleased to report that the Boca West Children's Foundation's first fundraising luncheon featuring Chef Alex Guarnaschelli was a resounding success. The event exceeded our expectations in terms of attendance, funds raised, and overall positive feedback from attendees. Over 500 guests attended the luncheon, including local philanthropists, business leaders, and supporters of the Foundation. The event successfully raised

$300,000 through ticket sales, sponsorships, and a live auction. Chef Guarnaschelli delighted attendees with her stories from her childhood as well as her career. We received so much positive feedback from praising the delicious food, engaging interview, and inspiring video highlighting the foundation's mission and impact. The event garnered significant media attention, with coverage in local newspapers, magazines, and online publications. Social media engagement was equally as robust, with attendees sharing photos and positive feedback, increasing awareness of the Foundation's work and mission.

We would like to thank the Boca West Board of Governors, the Boca West staff, our sponsors, volunteers, and attendees for their unwavering support and dedication to the Boca West Children's Foundation. Their contributions have made a meaningful impact on the lives of the children we serve.

The first fundraising luncheon with Chef Alex Guarnaschelli was a milestone event for the Boca West Children's Foundation, setting a strong foundation for future initiatives and community engagement. We look forward to building upon this success and continuing our mission to create positive change for children in need.

Coming up next is Bikes for Tikes. May marks bicycle month at the Foundation. Children from 13 Palm Beach County Schools who have achieved their reading goals will be rewarded with a brand-new bike.

Approval of Minutes

Motion: On a motion made by Jeanine Banks and seconded by Arthur Schwartzman, the minutes of the March 28, 2024 and April 4, 2024 Board Meetings are unanimously approved.

Chairman's Report – Jeanine Banks

General Business

The Committee Charters were updated and distributed to the Board.

The Committee Chair and Department Head pre-grievance guidelines was distributed to the Board and discussed.

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

Jeanine Banks reported on the Members who were reported to have attended the St. Barths event without tickets and were brought to a meeting Jonathan Schraub, House and Activities Vice Chair and John Collings, Assistant General Manager. Each of these Members will be required to write an apology letter to the Board and Management and their Membership account will be charged for the full cost of the event. The Board discussed the results of these meetings.

The Board Retreat will be held at The Boca Raton on June 3, 2023. Michelle Tanzer, Esq., Partner at Nelson Mullins will be speaking and Henry DeLozier, Principal at GGA Partners will also be presenting and moderating the afternoon.

At the conclusion of today's Board meeting, the Board will reconvene for an educational session on the foundation of Boca West Community Advisors, LLC and the history of how it was formed, presented by Howard Liebman and Jerry Glassman.

Boca West Community Advisors

The Boca West Community Advisors Steering Committee, also referred to as the Joint Venture, will meet on Tuesday, April 30. The Master Association representatives to be in attendance are Michael Eustace, Danny Bejarano, Steve Jonas and Marc Grumet. The Boca West Country Club representatives to be in attendance are Matthew Linderman, Jeanine Banks, Arthur Adler, Jonathan Schraub and Arthur Schwartzman.

General Managers Report – Matthew Linderman

Financial Flash Report

For the period of April 1 through April 16, 2024.

Golf Operations revenue is currently experiencing a strong April with rounds and revenue ahead of budget and last year.

Golf and Racquet Sports Retail merchandise and equipment revenue is ahead budget due to the success of the Masters Week and the Spring Fling sales.

Fitness and Spa is experiencing a strong April 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, Pilates and personal training sessions.

Food and Beverage restaurant outlets are in line with the budget, even though Blue Point opening has been delayed. Market Square continues to be a great success.

Catering and House is currently ahead of budget.

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 19 delinquent members and 12 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 April 17, 2024 there are currently 2,078 Golf players which is up 94 players from last year. This is up 34 more players than in fiscal year 2008/2009. There are currently 345 Racquet Sports players which is up 95 players compared to last year. The Racquet Sports community has not had this many players since fiscal year 2012/2013.

Gold Card Guest Incident

Pursuant to Section 10.02 of the Bylaws, the President and General Manager issued an emergency suspension for the Guest of a Member for inappropriate and lewd behavior towards a Staff member at the Spa.

Motion: On a motion made by Enid Hoffman and seconded by Danny Schulman, the Board unanimously enforces a permanent ban for the Guest of the Member from participating in activities and using the facilities at the Lifestyle and Wellness Center.

Construction Update

The furniture installation at the Lifestyle and Wellness Center has been completed. We are hoping to open the building mid-May, based on inspection schedules. Blue Point and Aria will open at the end of May. The date of the ribbon cutting is still to be determined.

Matthew Linderman provided an update on the Notice of Default that was sent to T&G Contractors on March 12, 2024. We are discussing further action with our Construction attorneys and the Board will be kept apprised on further action.

The Art and Culinary Studio construction is on track to start this Summer. We have contracted a new Construction Firm, Mouw Construction. The Club's Construction attorneys will review the contract, and the contract will be presented to the Board at the May Board meeting.

Future Projects

A Project Manager for the Golf Course reconstruction of Course I and III has been hired. The Board will be presented with projected costs at the May Board meeting. The goal is to present the Board with the final presentation and projected costs at the November Board Meeting in preparation of a Special Meeting of the Members in March 2025. We are planning to conduct multiple presentations to Membership prior to the Special Meeting and Membership vote in March 2025. The renovation of Course III includes the Driving Range, Living Room Terrance addition, Golf Learning Center and the Racquet Center.

General Business

The Club has served 50,000 more meals this year, the highest total in the last decade.

<u>Audit Committee – Joan Attermann</u>

Annual 401k Audit

Joan Attermann reported that we are in the process of obtaining bids from two other audit firms expecting quotes this week. We will evaluate the bids and qualifications in May and recommendations will be presented.

The 2023 Audit and Form 5500 will be completed by October 15, 2024.

BWCC Annual Financial Audit

The three year engagement with RSM expired September 30, 2023. We are expecting a new three year proposal in May for audit years 2024 to 2027. Recommendation will be presented for Board approval.

Construction Cost and Change Order Analysis

No update on the report since the February 2024 report to the Members.

The Clubs Construction attorneys have taken over as forensic scheduler considering the ongoing issues with the project. Once their engagement is completed, it may provide additional information for the RSM project, at which time RSM will update and finalize their report.

Technical Assistance Advisement (TAA) – Florida Sales Tax Holiday

The TAA submitted by RSM to the Florida Department of Revenue is in review. An update will be provided at the May Board meeting.

Budget Committee – Enid Hoffman

The first budget meeting took place on March 28, 2024. The Department Heads have begun the process of reviewing their budgets internally and will then meet with Committee Chairs.

The Budget Committee meeting are scheduled for June 19, 21 and 24.

Communications and Marketing Committee – Barry Roberts

Barry Roberts reported that the first Committee meeting laid out the foundation for the Committee and reviewed the Boca West App highlights.

Nothing additional to report other than the Committee minutes.

Finance – Arthur Schwartzman

Arthur Schwartzman reviewed the financial highlights for the month of March. In summary, the Club is in excellent financial shape.

Golf Committee – Bob Lerner

Bob Lerner reported that the May Golf Committee meeting will focus on the upcoming Golf Course renovation project. The Board has been invited to attend.

The Committee and Management are working on new initiatives and tournaments for members to participate in.

Nothing additional to report other than the Committee minutes.

House and Activities – Arthur Adler.

Arthur Adler reported the second night Seder Dinner had a low turnout. This is the first year the Club has formally hosted a second night for Passover.

The new DJ nights at the Oasis Pool have been highly successful.

Nothing additional to report other than the Committee minutes.

Human Resources – Bill Berkowitz.

Bill Berkowitz reported that he met with Olga Follansbee, Director of People and Culture and discussed her position and scope. They are scheduled to speak monthly or more frequently, as needed.

International Staff

The H2B employees working at northern Clubs in the Summer will begin departing in May and for those going home, will have staggered departures though the end of June. This is the first year the Club has been allowed to keep H2B employees through June. A lot of work went into getting this approved by the Department of Labor last year to assist with being able to service our Members as our season is now longer.

H2B Visa Process

We have begun working on the H2B process with Workaway International and the Clubs Immigration Counsel for next season. The application for the prevailing wages has been submitted to the Department of Labor and we expect a response by the end of May.

Employee Apartments

We continue to work closely with Workaway International on the housing inventory. This continues to be a challenge as we are learning that some housing developments want to limit the percentage of corporate rentals. Workaway International is diligently trying to negotiate with these developments and will keep us apprised.

Currently, Workaway International is also working on closing apartments as our H2B employees begin to depart. We keep a number of apartments on a year round basis to accommodate housing for our College Interns and J1 employees this Summer.

Recruitment

We are planning to host an open house / job fair in the next couple of weeks in an effort to ramp up local recruiting.

There are 15 J1 employees arriving from Ireland in June and will work with us for a three month internship.

College Intern / Boca West Academy

In May we have 20 university students from universities around the country who have been selected to join our Hospitality Management Internship program. This is a 12-week rotational career learning experience combined with leadership training, the Florida Ready to Work Soft Skills Certification and a "Day of Service" at the HabCenter of Boca Raton. The Interns will have the unique opportunity to learn and practice the skills that will help them to develop into well-rounded leaders versed in the exceptional hospitality for which Boca West is known for.

Staffing

The current number of employees is 971 compared to 860 last year.

Leadership – Philip Edwards and Bill berkowitz

The first session of the Leadership Development Program was held on April 16, 2024. The participants met the individual leading and presenting the Leadership Program and had the opportunity to introduce themselves. An overview of the agendas for the remaining sessions was also presented.

Legal – Jonathan Schraub

Jonathan Schraub gave an update on one legal matter.

Lifestyle and Wellness – Robin Shulman

Robin Shulman highlighted some new Live Well programs and retreats that have been scheduled and will be introduced.

Robin Shulman recognized Misty Stewart, Director of Lifestyle and Wellness and her team for their creativity and work on the new programming.

Membership Committee – Mark Haberman

Mark Haberman recognized Leslie Kennedy, Director of Membership and Marketing and her team for their continued work with the Members and Member Nominees.

Membership Statistics

As of April 19, 2024, closed and pending sales to new Members were 116 compared to 122 last year.

Board Approvals Needed

Motion: On a motion made by Mark Haberman and seconded by Bill Berkowitz, the Board unanimously approves the 16 new Member nominees, one Companion and one Spouse.

Motion: On a motion made by Mark Haberman and seconded by Enid Hoffman, the Board unanimously approves the one new 75-mile Member nominee presented. The 75-mile rule acknowledgement and agreement has been signed.

Mr. Haberman presented a New Member Nominee to the Board with the recommendation to decline the nomination.

Motion: On a motion made by Mark Haberman and seconded by Phil Edwards, the Board unanimously accepts the recommendation to decline the new Member nominee.

Retail – Mark Haberman

Mark Haberman congratulated Emily Gifford, Director of Retail and her team on a successful season. The department has grown to five Retail outlets throughout the Club.

Nothing additional to report in addition to the Committee minutes already submitted.

Racquet Sports – Steve Roth

Nothing additional to report in addition to the Committee minutes already submitted.

Ombudsman

Nothing to report. All questions and concerns received have been addressed by Committee Chairs and management.

Special projects – Danny Schulman on behalf of Bob Schwartz

Danny Schulman presented the written report provided by Philip Kupperman, Special Projects Committee Member.

Renovator Program

In summary, total Market Value appreciation is $43.6 million. There are seven units under renovation, five units for sale and 12 pending sales for a total of 24 additional units to be sold under this program. These additional units to be sold will generate another $2.8 million in new Joining Fees.

Regular Renovator

There are six active Regular Renovators.

As of March 31, 2024 the Program has generated 185 acquisitions. Of these, 171 have been renovated and sold with seven more pending sales and two units up for sale.

Total Market appreciation is $31.1 million.

Of the 14 units not sold, five of those units 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 March 31, 2024 the Bulk Renovator Program has a total of 59 units acquired. Of these, 49 have been renovated and sold and five more are pending 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 but are delinquent and we plan on deducting the prorated dues plus interest upon the unit's sale.

Combined Units

Eight units have been acquired under this program with seven already combined and approved as one combined residential unit.

We have received and approved the combination plans for the contiguous units in Lakewood Mid Rise I. Upon completion, the Special Projects Committee will inspect and review the combined unit and the Board will be presented with the requested approval to refund 60% of the Joining Fees paid upon the purchase of the unit to be combined.

Trendz Committee – Enid Hoffman

Enid Hoffman reported this year the Trendz Committee was comprised of 6 members in good standing and two Board Members. The Committee was energized to give a voice to this growing demographic, engage them in an interactive environment on key trend topics and listen to what they would like to have at Boca West.

The Committee identified 120 out of the 1,014 Single Members to participate in an informational meeting to discuss new ideas, policies and "trendz." Out of the 120 identified members, 90 RSVP'd and a total of 75 came to the three sessions.

A final report with recommendations was presented to Jeanine Banks and Matthew Linderman on Monday, April 22.

Joint Venture Committee on Villages – Bob Schwartz

Nothing to report at this time.

Nominating Committee – Phil Edwards

Phil Edwards reported the Nominating Committee is following the Standard Operating Procedure and is in process of speaking with prospective Committee Members. The first email requesting Members to submit their resume for consideration to the Committee went out to Members in March.

Unscheduled Topics

Jeanine Banks provided an update on BoardEffect, the new Board portal that is in the process of being implemented.

Matthew Linderman reported that Cobalt will be introducing the new Catering platform and additional fixes in Golf and Fitness are being worked on. Additionally, online payments will be rolled out in July or August with ACH for credit card payments.

Adjournment

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