BOCA WEST
COUNTRY CLUB

MINUTES

MEETING:	Board of Governors
DATE:	January 28, 2025 and January 31, 2025
MEMBERS PRESENT:	J. Banks, A. Schwartzman, R. Schwartz, E. Hoffman, 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:	February 24, 2025

January 28, 2025

Grievance Committee – Rick Chavis

Grievance 14-2024 Appeal

The Member involved in the grievance appeared before the Board to appeal the final decision of the Board. The Member thanked the Board for the opportunity to appeal the decision and presented a statement along with documents for the Board to review with their reasoning for the actions taken that led to the filing of the grievance.

The Member was excused, and the Board discussed the Members appeal.

Motion: On a motion made by Mark Haberman and seconded by Steve Roth, the Board amended and reduce the terms of the suspension to a one-year suspension from all Boca West venues and activities, followed by one year probation, both in residence.

Grievance 16-2024

Rick Chavis presented the report and recommendation of the Grievance Committee in regard to a grievance complaint filed by Jonathan Schraub, Chair of House and Activities Committee against a Member for alleged disrespectful remarks, with inappropriate physical contact towards Staff in the Aria Lounge which violated the Club's Bylaws, Article X, Section 10.02.

The Grievance Committee recommends no suspension and this incident, along with the Grievance report to be documented in the Members membership file.

Motion: On a motion made by Philip Edwards and seconded by Mark Haberman, the Board unanimously accepts the recommendation of the Grievance Committee.

Grievance 01-2024

Rick Chavis presented the report and recommendation of the Grievance Committee regarding a grievance complaint filed by Bob Lerner, Chair of the Golf Committee, against a Member for alleged inappropriate contact with a Golf employee which violated the Club's Bylaws, Article X, Section 10.02.

The Grievance Committee recommends the Member be suspended from all activities and venues at Boca West Country Club for a period of two (2) years, while in residence; Appropriate letters of apology to the Board of Governors, Matthew Linderman and Travis Wehrs; Appropriate letters documenting this grievance be placed in the Members membership file.

Motion: On a motion made by Jonathan Schraub and seconded by Philip Edwards, the Board unanimously accepts the recommendation of the Grievance Committee.

The meeting adjourned.

January 31, 2025

<u>Boca West Children's Foundation – Richard Zenker</u>

Richard Zenker thanked the Board for their support and attendance at the 15th Annual Gala held on January 18 at Boca West Country Club. The foundation raised a staggering $1.3 million surpassing the goal of $1 million. This event serves as a testament to the community's ongoing commitment to supporting the vital mission of the Foundation.

The Children's Foundation is a new addition to the participating charities for this year's Hope Week. It was a successful day where volunteers packed backpacks with school supplies that were distributed to a local public elementary school.

This year's Diaper Drive will take place on February 25. The Children's Foundation has created a friendly competition amongst neighborhoods, Country Clubs and local organizations to collect and donate one million diapers to the Diaper Bank covering South Florida.

Richard Zenker left the meeting following his report.

Approval of Minutes

Motion: On a motion made by Jeanine Banks and seconded by Philip Edwards, the minutes of the December 19, 2024, Board meetings were unanimously approved.

Chairmans Report – Jeanine Banks

Jeanine Banks reviewed the Community Outreach programs that the Board has participated in: Play for Pink, Hope Week, Katz Women's Institute Lunch and Learn; Boca West Children's Foundation Annual Gala and the Boca Raton Regional Hospital Foundation Annual Ball.

Tanglewood is scheduled for April 9. In honor of Arthur Adler and his years of dedication in raising funds to support the Lynn University Scholarship Foundation, the Club will be renaming the scholarship to the Boca West Cares Conservatory Scholarship. This being Boca West's 20th year of having a scholarship recipient announced, we continue our mission of funding two $10,000 scholarships, providing gifted students with the opportunity to pursue their musical dreams. Boca West Members will be given the opportunity to contribute to the conservatory in honor of Arthurs memory. The Board was invited to support the scholarship initiative in Arthur's memory.

Boca West Community Advisors

The Community Advisors Steering Committee's quarterly meeting took place on January 13, 2025. It was followed by the monthly CA Leadership meeting with Danny Bejarano, Michael Eustace, Jeanine Banks and Matthew Linderman attending. These monthly meetings have fostered leadership dialog and have furthered collaboration and understanding between the Master Association and the Club.

Boca West Master Association and Club Management are collaborating on Golf Cart and Street Legal Cart Safety discussions.

The Board of Governors were encouraged to attend the Master Association's "Meet the Candidates Breakfast" scheduled for February 5 where the nominated candidates for their Board of Directors election will be introduced. Twelve Board of Governors will attend.

Gold Card Exception Request

Jeanine Banks presented a request for an exception received from a Member to extend the two-week time period for an activated Gold Card Guest due to extenuating and tragic circumstances. The Executive Committee has reviewed the request and recommends approval.

Motion: On a motion made by Philip Edwards and seconded by Enid Hoffman, the Board unanimously approves the Gold Card activation for a period of two months for a continuous activation.

Jeanine Banks concluded her report with recognition and thanks to the Special Projects Committee, Club Leadership and support staff for their dedication and hard work involved in putting together the 2025 Club Capital Improvement Program.

General Managers Report – Matthew Linderman

Financial Flash Report

For the period of January 1 through January 23, 2025:

Golf Operations revenue and rounds are lower than budget due to unfavorable weather conditions.

Golf Retail Merchandise revenues are lower than budget, due to the Men's and Ladies Night sales events moved to a later date.

Fitness and Spa are experiencing a strong January with revenues and services higher than budget and last year due an increase in Personal Training and Pilates sessions and Spa Services.

Food and Beverage restaurants are experiencing a strong November with revenues over $200,000 and covers 8,000 greater than budget.

Catering and House revenues are greatly exceeding budget due to the timing of events due to additional unbudgeted events as well as more attendees than budgeted.

Delinquent Dues, Foreclosures and Downgrades

There are currently 17 delinquent Members and nine of those have been delinquent for more than one year. Last year at this time, there were 18 delinquent members and nine of those were from previous years.

As of today, there is one foreclosed unit compared to three at this time last year.

As of January 27, 2025, there are currently 2,192 Golf players which is up 116 players from last year. This equals the number of players to fiscal year 2006/2007. There are currently 357 Racquet Sports players, which is up 15 players from last year. The Racquet Sports community has not had these many players since fiscal year 2011/2012.

Current Club Projects and Construction

Crafted (Art and Epicurean Studio) has been completed and will be opening in next two weeks.

We will be re-grassing Course IV this summer. The Golf and Agronomy teams are working towards an aggressive program, and we are looking at alternative options based on member feedback from the re-grassing of Course II.

Matthew gave the Board an update on the current litigation with T&G Contractors.

The permit for the Spa specialty showers has finally been issued and the Contractor has started the work.

General Business

This year marks the Club's 35th year anniversary. We are working Private Club Historical on memorializing the Clubs history.

Karima Lanfranco, Director of Learning and Development was hired and starts on March 3.

Matthew reviewed the Clubs usage statistics for the months of October through December 2024.

Club Capital Improvement Program – Matthew Linderman and Jeanine Banks

Matthew Linderman presented the proposed mailing to the membership announcing the Special Meeting. An in-depth overview of the project brochure was reviewed. With Board approval, the Special Meeting notice, proxy/ballot and Program brochure will be mailed to the membership on February 17, 2024.

Club Capital Improvement Program Financing Overview – Arthur Schwartzman and Kathy Campbell

Special Committee Board Members on Financing: Jeanine Banks, Chairman and CEO; Arthur Schwartzman, 1st VP and Finance Committee Chair; Enid Hoffman, Treasurer; Joan Attermann, Finance Committee Vice Chair and Howard Liebman, former Board Chairman.

Special Committee Club Management on Financing: Matthew Linderman, President, COO and General Manager; Kathy Campbell, CFO and Kris Nielsen, Controller

Over the past few months, Board Members and Management have met numerous times to review and discuss the project projections and cash flow analysis, prepared by Management.

The overall scope of the project, as well as the order of the various components was also discussed as they impact the cash flow and the Club's borrowing needs. Over the course of construction, the projection details the anticipated payouts to venders with resulting cash balances and borrowing requirements.

Home sales over the past six years average 188 home sales per year (excluding Akoya). The group agree that a conservative approach to use an estimate of 150 home sales per year over the seven-year projection period is best.

Although the projection anticipates periods of large borrowings - based on the projections, we believe that the loan balances can be completely paid down at the end of each fiscal year during the projection period with the exception of September 2027 with $4 million. However, if sales in our current year approach last year's sales, we will have considerable interest expense savings, reduce our required borrowing levels, and have clean loan balances at the end of each fiscal year. We also anticipate that our current Bank Line of Credit is expected to be paid off at the end of the current fiscal year, September 2024.

The cash flow projection, as it stands now, includes the various components of the project at a total cost of $92.5 million plus interest of approximately $5.7 million based on the term sheet we received from Fifth Third Bank.

The Committee has already met with our current bank, Fifth Third to discuss the Project and they have presented to us an initial term sheet offer that would allow us to proceed with the project, when approved. We have also reached out to two additional banks and have received an initial term sheet from one reflecting better terms in certain areas, which may allow us to leverage better terms with Fifth Third Bank.

Therefore, based on our meeting with Fifth Third, we recommend approval of the project, with the banking agreement to be finalized at a later date.

Motion: On a motion made by Bob Schwartz and seconded by Jon Schraub, the Board unanimously approves and accepts the resolution as stated below:

Made on this 31st day of January 2025 at a regularly scheduled meeting of the Board of Governors.

WHEREAS, at a Regularly Scheduled Meeting of the Board of Governors of Boca West Country Club, Inc. the Special Projects Committee Co-Chairs, Chairman of the Board and CEO, Jeanine Banks and COO, President and General Manager, Matthew Linderman, along with the members of the Special Projects Committee presented certain information to the Board regarding plans for capital expenditures (the "Presentation") related to proposed capital projects (the "Projects"); and,

WHEREAS, the Presentation included drawings and related renderings, projected costs, financing information and a timeline for the Projects; and,

WHEREAS, the capital expenditures covered in the Presentation are for Projects generally de-scribed as: (i) Course 1, 18-Hole Putting & 9-Hole Short Courses with Starter Building, (ii) Pickle-ball Building, (iii) West Racquet Center, (iv) East Racquet Center, (v) Golf & Activities Center Phase 1 - Locker Rooms and Activities Ballroom Refurbishment, (vi) Golf & Activities Center Phase 2 – Lobby and Bar Renovation, Prime Cut and Grand Central Cosmetic Updates, Golf Shop and Hall-way Cosmetic Update, (vii) Country Club – Expanded Covered Entrance Walkway, (viii) Country Club - Main Kitchen Expansion, (ix) Administration and Operations Expansion, (x) Country Club - Loading Dock, (xi) Update IT infrastructure to support expansion.; and,

WHEREAS, the projected capital expenditure for the Projects total $92,500,000.00 plus interest of approximately $5,725,000.00 and, with financing projected not to exceed $65,000,000.00; and,

WHEREAS, the Board of Governors having had the opportunity to review and discuss the Presentation and the Projects at a Regularly Scheduled Meeting of the Board of Governors held on January 31, 2025, finds it is in the best interest of Boca West Country Club, Inc. to approve the Projects and related capital expenditures, including the proposed financing for the Projects; and,

WHEREAS, pursuant to the Board's obligations and responsibilities set forth in Article IX of the Club's Bylaws,

IT IS THEREFORE RESOLVED AS FOLLOWS:

1. The Board of Governors having had the opportunity to review and discuss the Presentation and the Projects, hereby approves the Capital expenditure of $92,500,000.00 plus interest of approximately $5,725,000.00 and financing not to exceed $65,000,000.00, for the Pro-jects described above; and,
2. The COO, President and General Manager is hereby authorized to retain relevant professionals including, but not limited to, consultants, architects, engineers, attorneys and staff to assist in the preparation of information packets and displays to inform the Membership of the intended Projects prior to the dates when a Meeting of Members is called to approve the Projects, expenditures and financing; and,
3. The COO, President and General Manager is hereby authorized to set the dates and times for all informational meetings with the Membership to provide information to the membership describing the Projects; and,

4. In compliance with the terms of Article IX of the Bylaws, the Chairman and CEO is hereby authorized, to set March 27, 2025, as the date for the Meeting of the Members to approve all actions proposed in this Resolution and to include with the Notice of Meeting a de-scription of the Projects and proposed actions; and,
5. The Chairman and CEO is hereby authorized to have the ballot and proxy material pre-pared by Counsel and to utilize said documents at the March 27, 2025, meeting of members; and,
6. As soon as the final Loan or Financing Agreement is reached with the Lending Institution selected to finance the Projects, the terms of the Loan or Financing Agreement shall be presented for approval to the Board of Governors at the next scheduled meeting of the Board, and the Secretary shall insert the terms of the approved Loan or Financing Agreement in the minutes of the Board.

The preceding Special Project Resolution was unanimously approved by the Board of Governors.

Temporary Pickleball Courts

Matthew Linderman presented a proposal from Mouw Construction and Papico for the conversion of Tennis Courts 18 and 19 to temporary Pickleball Courts for $127,622.40 with the recommendation to approve.

Motion: On a motion made by Philip Edwards and seconded by Bob Schwartz, the Board unanimously approves the conversion of Tennis Courts 18 and 19 to temporary Pickleball Courts for a total cost of $127,622.40.

Finance – Arthur Schwartzman

Arthur Schwartzman reviewed the financial highlights for the months of November and December.

Golf Committee – Bob Lerner

Bob Lerner presented an RFA for approval:

RFA 1902 for the budgeted expense to replace the Driving Range Awning on the North Tee.

Motion: On a motion made by Bob Lerner and seconded by Arthur Schwartzman, the Board unanimously approves RFA 1902.

Legal – Jonathan Schraub

Jonathan Schraub proved an update on two legal matters currently under litigation.

Membership Committee – Mark Haberman

Mark Haberman reported on the success of the New Member Cocktail Party that was held on January 28, 2025. Department Heads, Committee Members and Board Members were in attendance.

Mark Haberman presented an overview of this year's Committee goals.

Membership Statistics

As of January 24, 2025, closed and pending sales to new Members were 57 compared to 47 last year.

Board Approvals Needed

Motion: On a motion made by Mark Haberman and seconded by Enid Hoffman, the Board unanimously approves the new Member nominees as presented to the Board.

Mark 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 Jonathan Schraub, the Board unanimously accepts the recommendation to decline the new Member nominee.

Unscheduled Topics

Philip Edwards reported on the success of the Leadership Program this year with two participants successfully nominated for the Board election. Philip Edwards expressed appreciation to the Board for their participation and presentations at the Leadership Program throughout the year.

Adjournment

There being no further business to discuss, the meeting adjourned to Executive Session at 1:45pm.