

Minutes of CVE CenClub Board of Directors Meeting September 12, 2023

Present: Rita Pickar, Stanley Spitzer, Jay Baimel, Susan Dove, Phyllis Meiner, Arnold Klein, Michael Rackman (via Zoom), Mike Burdman, Executive Director of CenClub, and Norma Taylor, Executive Director of Bay Management

Minutes:

Stanley Spitzer made a motion, and Jay Baimel seconded to waive the reading and approve the minutes of June as posted on the CenClub website and printed in the *Reporter* was made and carried unanimously.

President's Comments: Rita Pickar

Rita mentioned that the Board and Mike Burdman, the Executive Director, read all comments and will respond if necessary. Rita welcomed everyone to the first meeting of the new fiscal year. Mike will review all of the upcoming projects. The Board is always open to new clubs, so if residents have any ideas and are interested in teaching a class, please reach out; we welcome new ideas.

Treasurer's Report: Jay Baimel

On May 31, 2023, the balance in the operating account was \$510,878. In June, July and August, CenClub received \$2,683,695 and dispersed \$3,218,731. \$534,502 was transferred from the reserves into the operating account. At the end of August, CenClub had operating funds of \$510,344, and \$5,705 was in petty cash; therefore, at the end of August, the total aggregate cash was \$516,049. In the reserve account, there was \$4,264,227. The total cash of CenClub as of August 31, 2023, was \$4,780,276.

The reserve account on May 31, 2023, was at \$4,798,729 and transferred out from the reserve was \$534,502, arriving at the August 31 balance of \$4,264,227. The reserve balance is at \$4,264,227; on August 31, 2022, CenClub was at \$5,571,171 or about \$ 1.3 million more than today. This reduction was planned in the 2022/2023 capital spending budget. It underscored the due diligence of the CenClub Board in managing necessary maintenance restoration and improvements to keep this 50-year-old community relevant as a financially viable and valuable residential investment offering the best lifestyle amenities in South Florida. The reserves are adjusted monthly as CenClub pays for scheduled upcoming significant projects and replaces them with new and budgeted board-approved projects according to the 20-year capital needs plan. This

valuation is the cornerstone of the long-term financial and economic planning and reinforces CenClub's commitment to ensuring sustainability and ongoing renewal of CenClub's recreational facilities. As the summer of 2024 approaches, this will mark the end of five years from the original assessment. CenClub will authorize the update by the professional independent appraisers to keep the 20-year outlook going forward. CenClub's budget and actual spending for capital projects and scheduled repairs this coming fiscal year (which ends on September 30) will approach or exceed \$3.5M. In addition to the \$3.5M mentioned above, CenClub paid \$786,000 for property insurance premiums in May 2023 for wind mitigation coverages. CenClub's insurance liability has doubled since last year. As residents will understand, this is a necessary protection for our CenClub facilities and it has risen from almost 700,000 in previous years to about \$1.4M during the year just ending. It will represent an ongoing fiscal and budgetary challenge until the Florida insurance marketplace emerges from chaos.

Interest income on operating and reserve cash balances amounted to more than \$66,000 for the first eleven months of the current fiscal year.

At the end of August 2023, recreation accounts receivable were \$144,451, down from \$156,096, a decrease of \$11,645 from May 31, 2023. The accounts receivable staff and collections attorneys are achieving impressive results in holding all delinquent owners accountable. From a receivables high of \$406,000 on March 31, 2020 (just after CenClub graduated from the Recreation Committee), the staff has reduced receivables by more than 64%. This performance is a best practice and is a powerful aspect of our overall cash management strategy.

Like the CenClub Board and other CenClub employees, they did not take the summer off. At the end of August 2023, total assets for CenClub Recreation Management Inc. were \$14,723,094, up from \$14,098,210. Total liabilities were down \$4,461,846, down from \$5,205,871. As a result, CenClub members' equity (assets minus liabilities) is \$10,261,248, up from \$8,892,339.

2023/2024 Budget - Jay Baimel

CenClub has adopted a fiscal year (implemented back in 2020) from October 1 through September 30 to mirror the activity year. All shows, activities, and the population are covered in one accounting period. The outside CPA firm will begin their audit for the year ended September 30, 2023 within the next 4-6 weeks; an audit report

should be available by December 31. In preparing the 2023/2024 budget, the elected voluntary CenClub Board accumulated, analyzed and discussed relevant data and completed its fiduciary responsibility by formulating a thoughtful and comprehensive financial plan for the benefit of the entire community. Underlying this process was the understanding that the amenities that CenClub builds, maintains and modernizes in this community contribute in a significant way to the fantastic growth in property values for our owners in Century Village East. As mentioned last year, the CenClub Board relied upon a detailed 78-page capital needs assessment and replacement reserve analysis prepared by objective and professional consultants to develop the 20-year capital spending needs. CenClub reviewed the recommendations throughout the year, and CenClub continues to agree with the direction of their projections. The original capital needs assessment called for spending more than \$17M over the next 20 years in current dollars or greater than \$22M in inflated dollars to preserve and maintain the aging recreation assets of this community. A significant component of their plan was that we begin this long-term task with an initial cash infusion of \$5M. Instead, we started only with \$900,000 of reserve cash on October 1, 2020. This shortfall amounted to \$482 per unit owner and could have triggered a coupon increase of \$40 per owner/month in 2021 or at any time, which was not imposed during the four years CenClub has exercised its mission. For the next budget year, the Board of CenClub will vote to maintain the 2023 coupon rate throughout 2024. The Board will continue to responsibly evaluate all future spending to ensure the highest quality of recreation facilities to protect and enrich the community property values. CenClub dues continue to remain the lowest of your three monthly payments. As we approach the summer of 2024, which will mark the end of five years from the original assessment, CenClub will authorize the update by our professional independent appraisers to keep the 20-year outlook going forward.

The operating side of the budget is very comparable to the preceding year. A descriptive pie chart will be available to all residents at cenclub.com/documents and in the staff office, illustrating the distribution of the CenClub dues. Jay discussed the line item scheduled projects on the budget listed at \$3,469,000. This number includes the modernization of the Clubhouse building and Clubhouse pool and reflects consensus by the CenClub board to address 18 other necessary capital projects in 2024. The Board has also budgeted for an almost

40% increase in insurance premium costs for the coming fiscal year. The chart represents the spending distribution of the CenClub dues.

Rita mentioned that the capital needs study would again be reviewed and completed over the summer, as the original was before the pandemic and costs have changed. Susan Dove moved and Phylliss Meiner seconded to accept and adopt the 2023/2024 operating budget as detailed by Jay Baimel. The motion carried unanimously.

Executive Director Report: Mike Burdman, Executive Director

Recreation Updates

Construction notice: Construction is underway on the Pickleball Courts, Berkshire Pool Renovation, and a brand-new Richmond Pool. Both pools are nearing completion. Pickleball is delayed, however, due to weather and surfacing materials. We expect the pickleball project to be completed soon and in time for the season. Over the summer, the rear of the Clubhouse Beautification project was completed. Installed a new pool deck at Westbury, recarpeted all our offices, purchased all new pool furniture, renovated the Newport pool and updated our internal tech and Clubhouse systems. These updates include theater, audio and visual upgrades to our meeting rooms. We are waiting for the City to issue handball and practice wall permits. Beginning on September 25 through September 29, the Clubhouse parking lot will be seal-coated. Keep an eye out for closure notices for the parking lot. Since the parking lot will be sealed in sections, the Clubhouse usage by residents should not be affected. On or around October 1, the Clubhouse elevator will be renovated – an announcement will be made on this project and how it will affect operations once we have an actual start date. Mike showed a short video on the updated construction work around CVE. The video can be seen on the website as well cenclub.com/projects

Maintenance and Pools:

Over the summer, 283 work orders were completed by our maintenance team and our pool team completed 92 work orders. The annual fire inspection was completed, no violations were found and all systems operated well. The team conducted a lighting survey on all CenClub properties, replaced and serviced lights, and ordered as needed. Our pool team inspected all the lifesaving equipment, pumps, and safety devices at all pools. There were issues.

Fitness Center:

The summer fitness schedule is available, and 75 classes are offered weekly for our residents to enjoy – by popular request, we have a larger variety of Aquacise classes throughout the summer. Stop by the staff office, fitness center, or the CenClub website for a full schedule. Summer pickleball lessons will occur on Clubhouse court #4, beginner lessons from 8 a.m.-9:30 a.m., intermediate/advanced 9:30 a.m.-11 a.m.

Personal training is available in the fitness center at a fantastic rate! Stop by today for more information and a free consultation with our staff.

Summer show info: This summer, we have an incredible lineup of acts taking the stage in the party room. We have a variety of shows through October, from comedy magic and Broadway tunes to Jazz and returning favorites. The next show is Shelly Brill and the Soundsations, an exciting musical group playing tracks from the 60s to 80s. Tickets for these shows are just \$6 and are available online and at the box office. If you bring a guest, please ensure they have a ticket, a photo ID and checked in at a security desk; you must accompany them. Guests will only be permitted in with a resident.

Dances are happening on Saturday night in the party room! Remember, like the theater policy, shorts are prohibited at the dances, starting at 7:30 p.m.! Guests can attend dances in the party room if they are with a resident and signed into the Clubhouse with security upon entry.

Halloween Dance: Tickets are on sale for the Halloween Dance. It's a haunted circus theme with carnival games, circus treats, and our annual costume contest this year. You can purchase tickets at the box office, or online at www.cenclub.com/tickets.

Jay asked where the dancing pumpkins would be. Mike responded that it would be a surprise, but they will show up on October 1.

Season show brochures are available for residents to pick up! We have a fantastic lineup packed with incredible talent this year! Tickets remain at just \$15 each and will be available at the box office and online. Please check channel 98 and our CenClub website for a show preview video where you can glimpse our world-class theater schedule! The ticket launch is scheduled for October 13. More info to follow!

As a reminder, being a part of the **CenClub email list** is essential. Important updates, information about events, classes, activities, and our monthly happenings are sent out to every resident on the list. Remember, you can join the mailing from the comfort of your home by visiting www.cenclub.com. In addition, you can sign up in person at the staff or administration offices at any time.

CenClub Announcements and Events

BJ's Wholesale is returning on October 4 to offer residents discounts. They will be available in the Clubhouse 11 a.m. - 2 p.m. Check the staff office for flyers with these offers and the dates that the BJ's representative, Elizabeth, will be here.

The **Fall Class Showcase** had a great turnout. Thank you to all the residents who attended and our wonderful instructors who were there to discuss and demonstrate their classes. Registration ended yesterday, and we look forward to a great Fall #1 session! Don't miss the Winter Class Showcase in December, where you can meet the instructors and register for classes on the spot!

Fall Session #2 Class Registration will begin October 6. We have new classes like Porcelain Flower making, Quilting, Wheel Throwing for Clay, English as a Second Language for French and Spanish Speakers, and 25 others! Visit Cenclub.com to register for classes online, or visit the staff office.

Property Appraiser: The Broward County Property Appraiser's office will return to the second-floor lobby of the Clubhouse on Thursday, October 5, to assist residents with homestead. You must schedule an appointment by contacting the staff office from 9:30 a.m. to 12:00 p.m. They will be here on the first Thursday of every month through 2023.

AARP Defensive Driving classes are back! Classes are filling up quickly and are available on October 11, November 8 and December 13. Residents must come in person with a check to reserve a spot in a class session. The cost is \$20.00 for AARP members, \$25.00 for non-members and lasts from 11 a.m. – 5 p.m., so bring a lunch!

Hear USA will return on October 5th from 1:00 p.m. to 3:00 p.m., offering free amplified telephones for eligible residents. Stop by the landing outside the theater to discuss this offer.

Comcast: Every Tuesday from 8 a.m. to noon, Comcast is available on the second-floor lobby in the Clubhouse to assist residents in setting up equipment, operating the remotes, connecting to your internet, or any other hardware issues. These appointments are not for billing and account questions; residents should call the 800#.

BINGO! Bingo is in the party room every Tuesday at 7:00 p.m. Bingo seating is at a limited capacity of 300 and on a first-come, first-serve basis. Doors open at 5:30 p.m., guests are welcome, and food and beverages are permitted. As a reminder, players must be in the party room before the start of the first game at 7 p.m. No exceptions will be made.

Toys for Tots: The Holidays are coming up quickly, and CenClub will again be collecting toys for Toys for Tots beginning in October. Last year, residents donated a very generous 444 toys. Help us beat last year's record and serve the community this holiday season.

Old Florida Cafe has received a makeover and is now called the **Century Diner!** Enjoy new daily specials, dessert selections, retro décor, and comfy booths (just like an authentic diner)!

Mike congratulated the Employee of the Month, **Anthony Tolentino.** Anthony filled in for Suzy while out sick. He does a great job ensuring our pool gate is secure during business hours and weekends and enforcing the rules - thanks for all you do.

New Business: None

Old Business: None

Susan Dove moved to adjourn, seconded by Phyliss Meiner at 10:08 a.m. The motion carried unanimously.

Respectfully submitted by

Rita Pickar

President, CenClub Board