

**Board Meeting Minutes
Hanover Seaside Club
6 p.m. June 26, 2019**

1. Call to Order

The June Board meeting was called to order at 6:00 PM by President Jan Sheppard. Members attending were, Armistead Boyd, Tom Cheatham, Dan Hickman, Mackey Hughes, Mike Pridgen, Andrew Walden, Mark Wilson, and Janet Warren.

2. Adoption of Agenda. After brief discussion, Tom Cheatham moved that the Board adopt the agenda as presented. Second by Mike Pridgen. Motion passed.

3. Approval of minutes from May 23, 2019 Board Meeting. After brief discussion, a motion to approve the minutes as amended was made by Mackey Hughes, Mike Pridgen second. Motion passed.

4. Member Comments

- a. Member Steve Lee commented on the Treasurer's Report released this month and was complimentary of the Board's efforts to keep members informed. Acknowledging the deficient budget that the Club is operating under and noted that previous boards have spent little time with budgets. Budgets are a planning tool but should not be viewed as a roadblock. He touched briefly on the size of the membership and the effects of enlarging the membership should the Club move in that direction. He stated that the Club, in his opinion, is at maximum capacity now and recommended the Club not enlarge membership. Finally he thanked President Sheppard for the refreshing transparency and openness of her administration.
- b. Susan Rose spoke on her long association with the Club and how she loved the traditions of our family Club. Small things like "ringing the breakfast bell" were among her cherished memories. She expressed concern that we might lose her favorite traditions such as recognizing birthdays.

5. Managers' Report – Victor Brown

During May we had 122 nights of occupied rooms. Snack Bar is up and running. He has hired a new housekeeper. The Club is cleaner and getting busier. We are having some problems with littering and mold in bathrooms. He suggested ways to avoid mold and is redoubling cleaning efforts to stay ahead of it. Bo Wessell added that additional air handling equipment is being installed to help remove moist air. Victor also commented that the price of part-time labor was significantly higher and it was difficult to get people to work for less than \$13/hr. Housekeepers were charging \$15/hr. The new Chef is learning the HSC culture and adapting very well. Staff are working together and helping each other. Final comments were about security and the need for more evening security measures.

6. Secretary/Treasurers Report – Dan Hickman –

Reported that despite some startup issues that the new Club Management System was beginning to provide increases in efficiency. All employees are now being paid by direct deposit and this month we did our first successful mail-merge for a mass-mailing. The labor savings on mail alone is significant. And the cost per letter is equal to or less than preparing them manually. Dan commented on the 605 called-meeting letters that went out this week and that the Board would be constrained to the "purpose" stated in the letter and

that no other business would be conducted in the called meeting. Dan briefly discussed the mailings scheduled for September.

7. Committee Reports

A. Finance Committee – Dan Hickman

We are halfway through the short 8-month Fiscal Year. We are now working on budgets for 2019-20. Departmental budgets will be due not later than July 31 and the Finance Committee will have the entire 2019-20 budget ready by the August Board Meeting for review and approval on Aug 28th. The preliminary guidance to budget managers is to keep operating costs from rising beyond 2018-19 levels. The 605 decision on July 27th may require an additional Board Meeting to consider financing options for the course-of-action directed by the membership.

B. Operations Committee – Tom Cheatham

Tom reported that there had been some personnel changes but that the Club was running smoother now. The Operations committee has modified the party policy and checklists in order to provide greater accountability and protections for the Club.

C. Facilities Committee –Mark Wilson

Bo Wessell and Mark made a joint presentation. The Facilities committee has completed a draft budget for 2019-20. Air handlers that will help with moisture issues are being installed. They also reported that due to unexpected equipment failures within the facility they are over budget in one line-item by approximately \$5000 for the current year.

D. Governance Committee – Mackey Hughes

The party policy was reviewed and approved in Committee. Mackey reviewed the fees for Club use. It was suggested that we approve the newly recommended fee structure while keeping the small dining room groups at \$75. Motion to approve came from the Governance Committee, no second needed. Motion passed unanimously. The hurricane recovery policy was discussed. No action taken

E. Security Committee – Mike Pridgen

F. 605 Committee update – Armistead Boyd

- Member informational sessions July 13 & July 21. A brief discussion ensued regarding the mechanics of the Called meeting.

8. Old Business - None

9. New Business

President Jan Sheppard discussed the need for a nominating committee and said she would bring committee names to the next board meeting. Janet Warren requested that all member reclassification be paused from August 31 until the beginning of the new FY on Nov 1, 2019. (See #12 below)

10. Next meeting – Wednesday, July 24

11. Executive Session. The Board went into executive session to discuss a personnel and membership issue.

12. Vote on Executive Session discussion in open session

The Board went back into open session noting that no votes or actions were taken in the executive session.

Janet Warren then moved that we take in Lydia Mann, who is the daughter of current members and entitled to come into the Club per the Constitution which allows the Club to exceed membership caps when taking in member's children before the age of 26. Motion passed unanimously.

Janet Warren also moved that the Club temporarily suspend reclassification of membership between Aug 31 and Nov 1. The purpose of the motion was to allow a window for mailing out the 2019-20 bills in Sep/Oct with fewer changes and higher accuracy due to last minute changes of membership status. Motion passed unanimously. Janet will send letters to all members eligible for change-of-status, alerting them to the short suspension period and give them the opportunity to reclassify prior to the billing window.

13. President Sheppard adjourned the meeting.