

# Hanover Seaside Club



founded in 1898

601 South Lumina Avenue  
Wrightsville Beach, NC 28480  
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P. O. Box 434  
Wrightsville Beach, NC 28480

## Board of Directors Minutes November 16, 2015

The regular monthly meeting of the Board of Directors of the Hanover Seaside Club was held on November 16, 2015 at 5:30pm at the Hanover Seaside Club. The meeting was called to order by President John Cockrum.

Board members present included:

President John Cockrum

Vice President Elise Beall

Treasurer Linda Tinga

Board Members: Francie Godwin Bo Wessell Duncan McFadyen  
Ken Johnson Jim Morgan

Four Regular members/non board members in attendance.

**Agenda**---Motion to approve revised agenda made by Bo Wessell, seconded by Elise Beall.  
Motion approved.

**Minutes**—Motion to accept minutes from September 21, 2015 made by Francie Godwin and  
seconded by Elise Beall. Motion passed.

**Annual Meeting Minutes**—Motion to accept the Annual Meeting Minutes of 2015 was made  
By Elise Beall, seconded by Bo Wessell. Motion passed.

### **Report of Officers:**

**President's Report**—John Cockrum

John has not heard from Grady Windham since our last meeting. We were hoping  
Grady would present his report at this meeting.

**Vice President's Report**--- Elise Beall

Elise presented a new email program that would be more suitable for our Club.  
Duncan McFadyen made a motion to proceed with the new email program, seconded  
by Francie Godwin. Motion passed.

**Secretary/Treasurer's Report**---Linda Tinga

Linda gave the Club's cash position and answered questions pertaining to this  
months financial report.

## **Reports of Committees:**

### **Facilities Committee—Bo Wessell, Chair**

Bo gave a report on the Facilities Committee. No action was taken.

### **Membership Committee---Francie Godwin, Chair**

Francie gave a report on the Membership Committee. They will have their next meeting December 6 where they will finalize their results on moving Seasonal Memberships to Regular Memberships. Francie will send the committee's results to John or Duncan to scan into Dropbox before the next Board Meeting on December 14 so that Board Members may review the applicants before the Board Meeting.

### **Operations Committee----Duncan McFadyen, Chair**

The Operations Committee made a motion to increase meal prices by 5% beginning February 2016. Elise Beall amended the motion by having the senior meals the same price on Sunday lunch and Friday night Seafood (\$11.50) and having the Weeknight Dinner (Mon-Thu) the same for adults and seniors (\$10.50). Duncan McFadyen seconded the motion. Motion passed.

## **Old Business**

### **Budget**

Steve Lee and Linda Tinga went over the Budget for 2016. Discussion was held. Elise Beall made a motion that we remove the money in line item #5102 since it is already in the budget, seconded by Francie Godwin. Motion passed.

John called for a vote to approve the proposed budget. The proposed budget was approved.

## **New Business**

### **Staff Christmas Gift Announcement--- John Cockrum**

John announced that there will be a lock box in the office for staff Christmas donations. The lock box will be in place before Thanksgiving. Members will also be able to contribute online.

## **Executive Session**

Motion to go into Executive Session was made by Duncan McFadyen, seconded by Linda Tinga.

The meeting was adjourned at 7:10pm.

Respectfully submitted,

Linda Tinga, Secretary/Treasurer

## **Committee Reports:**

### **Facilities Report for November 16, 2015**

- I. Projects completed since last report**
  - a. Repaired toilet in room 5**
  - b. Re-hung fire extinguisher in upstairs hall**
  - c. Screwed down boards on the pier that floated during the extreme high tides**
  - d. Reset aluminum ramp on north side of pier (removed to prevent loss during high tides)**
  - e. Reset snack bar tables and chairs after storm pasted.**
  - f. Cleaned out both storage areas under 605 S. Lumina Ave.**
  - g. Cleaned the gas grill at the Club**
  - h. Replaced and reattached missing siding on the south side of the club**
  - i. Gifted Habitat for Humanities with property left on premises as directed by the Board (see following list)**
    - 1 Sun Fish sail boat**
    - 2 Kayaks**
    - 2 Paddles**
    - 2 Surf boards**
    - 4 Boogie boards**
    - 5 Skim boards**
    - 1 gas tallboy clothes dryer**
    - 1 Jenair electric stove**
    - 10 beach chairs**
    - 3 umbrellas**
- II. Projects in Progress:**
  - a) Paint the inside white street walkway on Lumina Ave.**
  - b) Rap upstairs ocean door with aluminum**
  - c) Creation of a hurricane plan (see below)**
  - d) Perform inspection of all HSC property in the fall – Mark Wilson**
  - e) Porch inspections (see below)**
  - f) Add cross bracing to pier**
- III. Old Business**
  - a. Creation of a hurricane plan – the committee reviewed and edited the work done by Eddie Lawler on the plan. The present version will be reviewed for adoption at the 11:30 AM meeting on Monday, November 16, 2015.**
  - b. Duncan Mc Fadyen agreed to talk with Neil Andrew about doing the porches inspection after receiving a bid of \$3,500 - \$3,900**

- from SKA. The facilities committee did not believe the inspection needed to be done to the depth that SKA expressed.
- c. Video system - Bo invited Karl Grider of Network Supply, Inc., Goldsboro, NC to meet at 1:00 pm on Monday, November 16, 2015 to evaluate our present system and give us a bid on a new system to include wireless monitoring of the sound

## VII. New Business

Next meeting – 11:30 am, Monday, December 21, 2015 in the Hanover Seaside Club dining room

### Finance Committee Report:

The Finance Committee of the Hanover Seaside Club met November 2, 2015 at 11:00 am at the Club to discuss and offer suggestions to the Board on the Budget or 2015-16.

Members present were: Linda Tinga, Steve Lee, Jan Sheppard, Beth Henderson, Betty Jean Lanier and Clark Whitman.

The budget had been sent to finance committee members before the meeting so that they could familiarize themselves with the budget.

There was general discussion/questions about how money is reported.

#### 4000 Dues/Membership Income

There was discussion on the dues money going to reserves. For purposes of the proposed budget, remove 36,350 and replace that figure with 0

|        |                  |      |
|--------|------------------|------|
| 400010 | Dues to Reserves | 0.00 |
|--------|------------------|------|

|      |            |  |
|------|------------|--|
| 4005 | Fee Income |  |
|------|------------|--|

No changes

#### 4010 Food Income

The committee recommends that 401001 Food-Meals Income be reduced from 109,000 to 104,000. The Operations Committee believes that if meals are promoted, more people will eat at the Club. The Committee still decided to recommend that the projected income be more in line with the monies collected this year. Operations say they will work with the Manager to reduce the current COGS from 62.9% to 55%. Clark Whitman will work with the staff to determine costs for repeated recipes. This conversation impacted changes to COGS below.

The Committee also recommended that 401003 Food-Vending Income be increased from 600 to 1000, again reflecting amount of money actually collected.

|        |                   |           |
|--------|-------------------|-----------|
| 401001 | Food-Meals Income | \$104,000 |
|--------|-------------------|-----------|

|        |                     |       |
|--------|---------------------|-------|
| 401003 | Food-Vending Income | 1,000 |
|--------|---------------------|-------|

## Cost of Goods Sold

The Committee recommended that the COGS be increased by half the difference between what the Operations Committee recommended and the actual monies spent on food this FY.

|        |                               |        |
|--------|-------------------------------|--------|
| 501001 | COGS - Meals/Dining Room Food | 62,000 |
| 501003 | COGS - Vending Food           | 400    |

## Expense

Clark had questions about how expenses are listed. Different categories must be sent back to the committees to determine what expenses can be capitalized and depreciated over time.

For that reason, we need to delete 4,667 in the capital improvements line. Ask the House committee to itemize items budgeted for furniture & decorations (35,250) to determine what is a capital expense and what is not.

Additionally, all items listed in Maintenance & Repairs must be reviewed and items that can be capitalized must be identified.

We need to talk with the accountant about what should be put as capital expenditure.

|      |                           |                 |
|------|---------------------------|-----------------|
| 5130 | Capital Improvements      | 0               |
| 5250 | Furnishings & Decorations | will be changed |
| 5360 | Maintenance & Repairs     | will be changed |

Clark made the following motion: I move that \$35,000 classified to capital improvements. This allocation and the \$10,000 gift (currently registered as a capital item) be moved from expenses to the balance sheet until the house committee lists the allocations to what will be capitalized and what will be a current expense.

Jan seconded. The motion passed.

5367.10 HVAC contingency. There was discussion about the lower amount budgeted. HVAC units were replaced this year. The committee doesn't anticipate replacing units. It was asked how many units the club has and how old they are. No one could answer. Steve will find out.

The Board wants the Finance Committee to look at the fees for Merchant Services. The amount budgeted is \$15,000. After discussion, the committee decided that accepting credit cards is a convenience for the membership and that the club should encumber the cost. Steve pointed out that the ability to pay online should reduce the merchant costs.

5600

Utilities

Discussion was held with regard to the amount budgeted for water and the recycling costs. Committee members agreed that the water costs are not going to go down. They recommended that 12,000 be budgeted for water.

The committee also recommended that recycling alternatives be investigated. One alternative is to shut off service through the winter and re-start in the spring. Another alternative discussed is to see if there is another provider. No recommendation regarding the amount budgeted was made.

5606

Water

12,000

The meeting was adjourned at 1:30 pm.

**Operatings and Management Report:**

The Operations and Management Committee met on Thursday, 5 November 2015. See Meeting Minutes for details of the meeting.

The following Motion was majority approved by the Operations and Management Committee on 11/5/15 and is recommended for adoption by the Board of Directors:

The Operations and Management Committee recommends the following meal price adjustments effective February 1, 2016, consistent with the five percent recommended meals revenue budget line item:

|                              | 2015 Price | Proposed 2016 Price |
|------------------------------|------------|---------------------|
| Sunday Lunch                 |            |                     |
| Adult                        | \$ 12.00   | \$ 12.50            |
| Senior                       | \$ 10.50   | \$ 11.00            |
| Child                        | \$ 7.00    | \$ 7.35             |
| Toddler                      | \$ 4.00    | No change           |
| Weeknight Dinner (Mon – Thu) |            |                     |
| Adult                        | \$ 10.00   | \$ 10.50            |
| Senior                       | \$ 9.75    | \$ 10.25            |
| Child                        | \$ 6.00    | \$ 6.25             |
| Toddler                      | \$ 3.50    | No change           |
| Friday Night Seafood         |            |                     |
| Adult                        | \$ 11.75   | \$ 12.50            |
| Senior                       | \$ 10.75   | \$ 11.50            |
| Child                        | \$ 7.00    | \$ 7.35             |
| Toddler                      | \$ 4.00    | No change           |
| Breakfast (Mon – Sat)        |            |                     |
| Adult                        | \$ 7.50    | \$ 8.00             |
| Senior                       | \$ 7.50    | \$ 8.00             |
| Child                        | \$ 5.00    | \$ 5.25             |
| Child                        | \$ 2.50    | No change           |

## Membership Committee Report:

The Membership Committee met on Sunday, November 1, 2015 at the Hanover Seaside Club

### New Business:

Open and validate applications of members wanting to change from Seasonal to Regular membership.

Open and validate applications for membership.

### Old Business:

Membership Policy changes

Attendance: Sally Godwin, Francie Godwin and Martha Futch

The membership committee opened all of the applications that have been submitted. Sally is going to add the applications for new membership to our notebooks. Several of those submitted were missing items (letters, signatures or pictures) were contacted by Francie Godwin that day to let them know what they need to submit for their application to go on file.

Sally sent letters to all of those who had previously written a letter about wanting a status change to Regular Membership. These were mailed in August and were to be returned by September 30. After opening all mail sent to the membership committee, we had a total of 10 people whose application was complete. There were several that were partially complete and it is possible those may come in between now and our next meeting of December 6.

Francie Godwin will contact Steve Lee to find out the total number of members in each category.

### **Questions for the Board:**

1. Once we know the current numbers of each type of membership, how many will the constitution allow us to change?
2. How do you want the information on each candidate provided to the board?
3. Do you want to know all of those who have completed the entire application process or do you want the committee to recommend?

The Membership committee would like to present these to the board at our December meeting.

The committee discussed the changes suggested by the Policy Committee and we are currently working on those.

Our next meeting is Sunday, December 6 at 3:00 pm.

Sincerely,  
Francie Godwin