



Board Meeting Minutes, July 20, 2017

The regular monthly meeting of the Board of Directors of the Hanover Seaside Club was held on July 20, 2017 at 7:00PM at Keever Hall, St. Paul's Evangelical Lutheran Church, Wilmington.

Members present included: Eelco Tinga, Tom Cheatham, Steve Lee, Duncan McFadyen, Susan Collins, Brad Walls, Mike Pridgen, and Mark Wilson. Absent: Francie Godwin.

1. The agenda for the meeting was presented by President Tinga. Walls asked to remove *Revision to Policy 6030* from the agenda. Tinga moved to accept agenda as modified. Approved.
2. Part-time Staff Bookkeeper Barbara Losito was present and introduced herself to Board members. Board members introduced themselves in turn, and President Tinga welcomed Losito as an employee of the Club.
3. Manager's Report—The Club Manager was not present, but Secretary-Treasurer Lee noted that her Financial Report was attached to the monthly financials to be distributed later in the meeting.
4. Secretary-Treasurer's Report
 - a. Flood insurance update—Lee reported that flood insurance coverage for 601 and 605 properties was re-achieved. Both properties are covered; 601 with no lapse in coverage and 605 with a lapse in coverage with full coverage to resume 7/30/2017. Because of the issues surrounding missing flood elevation certificates, it was necessary to retain Azalea Insurance as the producer. Insurance update. BB and T has indicated that a change in *Broker of Record* is possible.
 - b. Other Insurance Update—Lee reported on full renewal of Commercial Liability Package, Directors and Officers Insurance, Wind and Hail, Wind and Hail Buy Back, and Workman's Comp policies via BB & T Woodbury. Policies have been renewed with same coverages at a price of \$34,899.56; this price is \$182 less than the prior year.
 - c. Tinga inquired about the Club's 990 tax return for FY 2016/2016. Lee gave Tinga a copy of the IRS Filing Extension Notice.
5. Committee Reports
 - a. Finance Committee—Lee presented the routine financial reports and Manager's Report for the month ending June 30, 2017. Reports were noted by Lee as being provisional pending Finance Committee review. Approval was postponed until reviewed reports were available. Provisional reports are attached.
 - b. Facilities Committee
 - i. Porch railings—Wilson reported on complaints received about the new porch railing installations on the third floor of the Club house, front and back. The issues were (1) view interference due to height and thickness of top rail and (2) unacceptable workmanship. While no motion arose, Wilson was instructed to talk to the contractor (Blue Water) about both issues and report back.
 - ii. Contractor's employees in building with door code—Pridgen noted that while working on the railings, Blue Water employees had been observed in the 3rd floor hallways and

- obtaining ice from the 3rd floor machines. Wilson was instructed to inform contractor that the 3rd floor interior was off limits to workers.
- iii. Wilson moved **to permit Intracoastal Realty to offer a rent reduction of up to 25% as an inducement for potential renters for the three weeks remaining before the long-term rental tenants arrive in August.** Approved.
 - iv. Intracoastal Realty Contract—Lee described the *Owner rent payments practice* of Intracoastal Realty and how Intracoastal's interpretations of our contract resulted in their retention of over \$5000 for six weeks after the rental began. Lee noted that when the contract was up for renegotiation in November, the ambiguous wording of the contract should be clarified.
- c. Operations Committee—Walls reported on activities of the Operations committee in regards to Manger Transition.
- i. Survey Delay—After receiving comments and investigating survey issues, the Committee chose to postpone the *2017 Member Survey* until the fall.
 - ii. Overview of Manger Transition—The Committee has decided to have a Club Manager in place on October 1st to have continuation of normal services.
 - iii. Club Manager Advertisement—The Committee wrote an ad for Club Manager and placed the ad in two venues—Craig's List and inDeed. The ad will run for a month.
 - iv. Called Board Work Session—Tinga called for a special, closed work session only for Board members. The session would be to discuss the Board's vision for the future of Club operations—2018 and beyond—come to some conclusions, and convey those conclusions to Operations Committee (and a future manager) for their guidance in directing a new Club Manager. The meeting was set for Sunday, August 6th at 2:30PM to be held at the 605 A Frame unless otherwise noted.
 - v. Collins called for decorum in discussions.
6. Old Business
- a. CPA Selection—Lee presented the following recommendation from the Finance Committee and moved that the Board accept the recommendation: **The Finance Committee recommends to the Board of Directs that Earney and company, LLP be selected as the new CPA for the Hanover Seaside Club.** Approved.
7. New Business
- a. Audit Committee—Tinga announced that he had created an Audit Committee and the following members were selected to be on the Committee: Tracey Meadows, Mike Pavlo, and Janet Warren.
8. Executive Session—The Board retired into Executive Session and met. The Board returned to Open Session.
9. Adjourn—The meeting was adjourned by Tinga. The next regular meeting is set for August 24, 2017. Location to be determined.

Respectfully submitted,
Steve Lee, Secretary-Treasurer