



Minutes of the Board of Directors Meeting, December 14, 2017  
First Baptist Church Activities Center, 7pm

Present: Eelco Tinga, Tom Cheatham, Steve Lee, Susan Collins, Francie Godwin, Duncan McFadyen, Mike Pridgen, Brad Walls, Mark Wilson. Parliamentarian Nelson was present.

1. Call to Order
2. Adoption of Agenda
3. Approval of Minutes of November 16, 2017 Board Meeting. Approved.
4. Presidents Report
  - a. Tinga furnished Lee with the Notice of the Annual Meeting and the Agenda for the meeting. Pridgen moved to include biographical sketches of recommended nominees in the Notice of the Annual Meeting. Approved.
  - b. Annual Meeting Agenda—Nelson reviewed the proposed agenda and several changes in custom associated with the agenda.
  - c. Next Board meeting—Lee moved that the next regular meeting of the Board be set for January 14, 2017 at 4:30PM at the Hanover Seaside Club. Approved.
5. Manager's Report—Tinga presented the Club Manager's Report for November.
6. Secretary-Treasurer—Lee reported on data collection and testing for the audit by Earney and Company.
7. Committee Reports
  - a. Facilities—Wilson reported on the status of the fire suppression system, bath house water heating system upgrade, handicap parking changes, and other facility issues.
  - b. Policy and Operations—Brad Walls
    - i. Motion: By direction of the Policy Committee, I move that we vote to approve HSC Policy #9010, the *HSC Conflict of Interest Policy and Annual Statement for Officers and Directors and Members of a Committee with Board Delegated Powers*, as recommended by our CPA's Earney and Company, in order to strengthen Internal Financial Controls and promote openness and transparency. Roll call vote requested by Committee with no objections. Roll Call Vote: Eelco Tinga, Tom Cheatham, Steve Lee, Susan Collins, Francie Godwin, Mike Pridgen, Brad Walls, Mark Wilson—yea; Duncan McFadyen: nea. Not approved. Second reading required.
    - ii. Motion: By direction of the Policy Committee, I move that we vote to approve *HSC Policy #9015, the HSC Code of Ethics for Hanover Seaside Club Board Members*, in order to promote openness and transparency.

Lee moved to refer the proposed policy back to the Policy Committee for revision to include the recommended classes of people indicated in the Earney and Company recommendations. Approved.

- iii. Motion: By direction of the Policy Committee, I move that we vote to approve Earney and Company's Internal Control Recommendations #s 1, 4, 5, 6, 12, and 22, as recommended by our CPA's Earney and Company, in order to strengthen Internal Financial Controls and to promote openness and transparency.

Lee moved to amend the motion by replacing the word *approve* with the word *accept* and insert *and begin the process of implementation* after *Earney and Company*. Amendment approved.

Motion as amended to read: By direction of the Policy Committee, I move that we vote to accept Earney and Company's Internal Control Recommendations #s 1, 4, 5, 6, 12, and 22, as recommended by our CPA's Earney and Company and begin the process of implementation, in order to strengthen Internal Financial Controls and to promote openness and transparency. Approved.

- iv. Motion: By direction of the Operations Committee, I move that we vote to approve Earney and Company's Internal Control Recommendations #s 2, 3, 10, 13-16, 18-22 and Long Range #s 1-4, as recommended by our CPA's Earney and Company, in order to strengthen Internal Financial Controls and promote openness and transparency.

Godwin moved to amend the motion by replacing the word *approve* with the word *accept* and insert *and begin the process of implementation* after *Earney and Company*. Amendment approved.

Motion as amended to read: I move that we vote to accept Earney and Company's Internal Control Recommendations #s 2, 3, 10, 13-16, 18-22 and Long Range #s 1-4, as recommended by our CPA's Earney and Company and begin the process of implementation, in order to strengthen Internal Financial Controls and promote openness and transparency. Approved

- v. Motion: By direction of the Operations Committee, I move that we adopt the "***Controller versus Treasurer – Roles and Responsibilities***" as the approved division of duties between the Club Treasurer and the contract Controller as recommended by Earney and Company CPAs, in order to improve and strengthen Internal Financial Controls. And that this division of duties take place as soon as the Club can hire/contract with a Controller.

Lee moved to refer the motion to the Finance for their consideration and recommendation to the Board. Failed.

Lee moved to amend the motion by striking *Club Treasurer* and replace with *Club Secretary-Treasurer*. Approved.

Motion as amended to read: I move that we adopt the "***Controller versus Treasurer – Roles and Responsibilities***" as the approved division of duties between the Club Secretary-Treasurer and the contract Controller as recommended by Earney and Company CPAs, in order to improve and strengthen Internal Financial Controls. And that this division of duties take place as soon as the Club can hire/contract with a

Controller. Approved.

- c. Finance—Lee presented the December Finance Committee Meeting Minutes followed by explication from Collins. Collins moved on behalf of the Finance Committee that only the Club Manager have a credit card and that the statement be reviewed monthly by the President and Secretary-Treasurer. Lee moved to refer the issue back to the Finance Committee to draft a comprehensive credit card policy for submission to the Policy Committee as required with subsequent presentation to the Board for consideration. Seconded. Approved.
  - d. Nominating—Godwin reported on the slate of nominees for presentation at the Annual meeting as follows: President: Eelco Tinga; Vice President: Henrietta Godwin; Secretary-Treasurer: Tracy Meadows; Board Members: Cathy Currin, Tim Johnson, Jan Shepherd, Andrew Walden.
- 8. Motion to adjourn to closed session. Approved.
  - 9. Retire to closed session.
  - 10. Return from closed session.
  - 11. Motion to adjourn. Approved.

Respectfully submitted,

*Stephen L. Lee*

Steve Lee  
Secretary-Treasurer