

Hanover Seaside Club



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Wrightsville Beach, NC 28480
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P. O. Box 434
Wrightsville Beach, NC 28480

Board of Directors Meeting Minutes

Date: November 20, 2014

Location : Hanover Seaside Club

Call to Order: 7:10pm

Board Members in Attendance:

Officers - Eddie Lawler, President
Sally Godwin, Vice President
Linda Tinga, Treasurer

Board members (6) -

Chris Furr	Jake Wessell	Bo Wessell
Jim Morgan	Ken Johnson	Tommy Cheatham

Quorum: Yes

Non Board Members: Steve Lee, HSC Bookkeeper, Mollene Smith, HSC Manager.

Appointed Recording Secretary for meeting: Janet L. Warren

Adoption of Agenda: Motion to approve by President Eddie Lawler

Agenda revised to include:

1. Constitution Committee's Recommendations from Jake Wessell
2. Discuss and vote on re-parceling of HSC property to lower property taxes.
3. Executive session minutes.
4. Discussion of Old Business unresolved items.

Agenda approved unanimously.

Adoption of Minutes for October 27, 2014 Board Meeting:

Motion to approve revised minutes by President Eddie Lawler.

Minutes approved unanimously.

Old Business Discussion. List below received by the board prior to the November 20, 2014 Board Meeting.

"Old Business" – (To be Old Business at the November Board Meeting)

1. **Document Retention Policy** -President Eddie Lawler –work in progress
2. **Background Policy** – Chris Furr-work in progress
3. **Recording Secretary**, non board member, possible pay might be considered. Sent to Constitution Committee September 2014. (Recommendation part of 11.20.2014 Constitution Committee Report")
4. **HVAC Problems Third Level, main facility**, Bo Wessell-work in progress
5. **Salaries- work in progress**

6. Update from Nominating Committee status –Chris Furr-work in progress

Approval of Annual Meeting Minutes from February 8, 2014. (Second review)

Motion was made to approve minutes and passed unanimously.

Reports of Officers.

President: Eddie Lawler

No Report.

Vice President: Sally Godwin

No Report.

Treasurer: Linda Tinga

Financial Statements:

Hanover Seaside Club

5. Cash Position 11/18/2014

As of November 18, 2014, Accrual Basis Oct 18, 2014

ASSETS

Current Assets

Checking/Savings

1 · UNRESTRICTED FUNDS

1000 · PNC Operating-0766 \$ 12,022.93

1020 · PNC MMarket-5823 227,917.90

1024 · TD Bank 0.25% 12 Mo CD-4479 17,096.02

Total 1 · UNRESTRICTED FUNDS \$257,036.85

2 · RESTRICTED FUNDS

1053 · Live Oak Bank CD 58,825.71

1054 · TD Bank CD-6101 99,000.00

Total 2 · RESTRICTED FUNDS \$157,825.71

1080 · Cash Drawers

1080.04 · Vending Machine Reserves 79.00

1080.01 · REG 01 Drawer Reserve 100.00

1080 · Cash Drawers – Other -53.96

Total 1080 · Cash Drawers \$ 125.04

1082 · Petty Cash \$ 474.38

Total Checking/Savings \$ 415,461.98

Total Current Assets \$ 415,461.98

TOTAL ASSETS \$ 415,461.98

LIABILITIES & EQUITY 0.00

Balance Sheet Handout - Discussion and clarification that followed. (Attach Document)

1. Depreciation amount on P&L shows up as a routine cost on all reports.
2. Lines 1-4 (4A & B) “Perpetual” changes will occur at end of the year.
3. A. “Balance Sheet/Previous Year Comparison”:
B. A/R 1100: No longer, see TAM A/R.

- C. TAM A/R 1105: Includes Dining Room and additional fees.
- D. Dining Room unused amounts: Nov. 18, 2014 statement should state \$16,806, not \$17,806 (\$1000 error to be corrected).
- E. Unused Dining Room money on account still being used by the members. Board has not instructed otherwise.
- F. "Other Current Assets" – why is #1499.02 Checks/ Undeposited Funds listed as a negative amount? Should be zero, correction will be made.

Reports from Committees. (Not in Alphabetical order.)

Facilities Committee –

Chair: Bo Wessell

1. Kitchen Floor needs repairing

The following motions were made:

Motion One - The motion was made by Linda Tinga to use the unused Dining Room funds (approx. \$16,806) to repair the floor. Seconded by Tommy Cheatham. Discussion followed, Bo Wessell called the question. **Motion did not pass**

Second Motion made by Chris Furr:

I move, that the Facilities Committee be directed to move asap to determine a plan of action and approximate cost to remedy problems with the kitchen floor.

Seconded by Sally Godwin, No discussion, **motion passed unanimously.**

2. HVAC and moisture/mold problems still on third level.
Bo Wessell to call another meeting of Tim Merrit/HVAC Contractor, Duncan McFayden, John Cochran and Jim Cheatham to discuss this continuing problem. Bo Wessell recommends outside professional expert to help resolve the third level problem. Estimated cost \$14,000.
3. The board voted to have all committee reports to the president four days prior to the scheduled meeting and released to the board no later than 48 hours prior to the meeting.
Minutes should be released also in ample time for board review prior to the next scheduled meeting.

Social Committee –

Chair: Ken Johnson

Social Committee 2014 activities: The committee has been well pleased with the turn out this year and estimates over 1200 members and guests have attended the functions offered by the Social Committee. For example:

- A. Bingo. In lieu of an entry fee at the last bingo, the committee collected can goods to be sent to the Mother's Hubbard Closet for the Thanksgiving. Six bags of can goods were received and delivered by Ken Johnson.
- B. Italian Night had over 75 people attend. The committee was pleased with the turn out and member response to a different type of function.
- C. Flotilla Night over Thanksgiving weekend will be the next function, chili will be served.
- D. December has a few functions on the book like the Breakfast with Santa for the children.

Constitution Committee –

Chair: Jake Wessell

Committee: Steve Lee & Janet Warren

The Constitution Committee met and after lengthy conversation recommends that the Board and the club members support the establishment of a Policies and Procedure Document/Manual to work in conjunction with the existing Constitution. The new P&P document/manual would house the central data for all approved club documents, job descriptions, rules and roles of the board and committees, policies approved from committees, etc. and could be easily revised by the Board. The Constitution will remain the primary document and would always take precedence over the P&P document/manual when called into question. The club organization and retention policy of documents needs to be addressed and vastly improved. A Policies and Procedure Document/Manual, in accordance to Robert's Rule of Order, would address many of these shortcomings.

Motion, from Committee, was made by Chair Jake Wessell:

The Constitution Committee recommends the establishment of a new Policies Procedure Document to be established to correspond with the current HSC Constitution. The current HSC Constitution would be revised to add the Article VII, Parliamentary Rule - (Motion amended in discussion as follows). Some discussion followed. **Motion passed** Unanimously. See report, propose change and rationale below.

HANOVER SEASIDE CLUB - Constitution Committee Report (November 20, 2014).

Re: Proposal to Amend Article VII of the Hanover Seaside Club Constitution

Text of Current Version (February 8, 2014):

Article VII

Parliamentary Rules

Section 1. The rules contained in *Roberts Rules of Order, Revised*, latest edition, shall govern all meetings of the Hanover Seaside Club in all cases to which they are applicable, and in which they are not inconsistent with the Constitution of this Club.

Text Incorporating Proposed Amendments (changes or additions in RED text):

Article VII

Parliamentary Rules, Policies, and Procedures

Section 1. [No change to this section] The rules contained in *Roberts Rules of Order, Revised*, latest edition, shall govern all meetings of the Hanover Seaside Club in all cases to which they are applicable, and in which they are not inconsistent with the Constitution of this Club.

Section 2. Routine operations of the Hanover Seaside Club shall be governed by a set of written policies and procedures. The detailed text of the various policies and procedures shall be combined into, and maintained within one centralized document known as the "Policy Manual". The Policy Manual shall be made available to all members of the Club in a hard copy format (located in the Club Manager's office) and electronic format (maintained on the Club website). New policies and procedures, or amendments to existing policies and procedures, take effect after two readings and majority approval of the Board after each reading. A second reading may be dismissed by unanimous Board consent after the first reading.

Rationale:

In keeping with the recent efforts by the HSC Board of Directors over the last few years focused on bringing transparency to Club operations, this proposed Constitutional amendment is aimed at establishing a written, organized, and centralized set of Policies and Procedures that will be available for all members to view at any time. As may be painfully obvious to many members, the various policy and procedural documents that are utilized to guide Club operations are currently fragmented, housed in various locations (although most can be found on the HSC website), and are not easily amended or updated, due to poor document retention. This amendment will require that the Board create and maintain a single, combined set of policies and procedures (Policy Manual), as well as make them easily available to the membership. A bound hard copy of this Policy Manual will be housed at the Club Manager's office for viewing, and an electronic version will be maintained on the HSC website, available for quick viewing and/or download.

House Committee –

Chair: Chris Furr
No Report.

Communications Committee-

Chair : Tommy Cheatham
No Report.

Nominating Committee –

Chair: Chris Furr
Committee (2) : Francie Godwin, Maelyn Slack.
No Report.

New Business -

1. Operations & Management Committee – Joint Committee Report with Finance Committee

Operations & Management Chair: Jim Morgan
Finance Committee Chair: Linda Tinga, Secretary Treasurer.
Report from Joint Committees meeting given by Steve Lee, HSC Bookkeeper.

11/20/14

Recommendations from the Joint Operations & Finance committee to Hanover Seaside Club BOD Background.

On 8/21/14, the BOD approved a five point motion regarding food service operations. Items 1-3 were changes that could be implemented immediately; Items 4-5 are shown below.

4. Perform a comprehensive cost analysis (That is not overly burdensome) of eight Sunday meals in September and October, 2014, including an accounting for food actually cooked and served, remainders to be trashed, and leftovers to be reused at a later time.

5. Present recommendations to the BOD regarding mission and standards for Dining Room food service operation in response to questions raised at the July 2014 Board Meeting, including: should the dining room be required to make a profit? What levels of profit do we want? Etc.

The Joint Team reviewed the dining room COGS Food to Food Income ratios for the 8 meals under study, for last FY, and for this FY. After much deliberation, the Joint Team makes these three recommendations to the BOD, each as a separate motion to be voted on by the BOD.

1. For the FY 2014/2015, a goal for dining room food service operations only shall be to break even or better.

- a. "Break Even" is defined as follows: Using QuickBooks Standard Profit and Loss Performance Reports for the Dining Room Class, add any Unused Dining Room Minimums to Food Income before computing net profit.
- b. Acknowledge that month-to-month profitability reports are very gross portraits of the dining room food operations, scrutiny of dining room profitability relative to this goal should be reserved until the end of the year.

Motion from Committees: Motion to accept recommendation 1a&b: **Passed**

2. For the FY 2014/2015, a goal for dining room food service operations shall be to achieve a ratio of COGS Meals/Dining Room Food (COA 501001) to Food-Meals Income (COA 401001) of 55% or less. Acknowledging that month-to-month COGS and Income reports are very gross portraits of dining room food operations, scrutiny of these accounts relative to this goal should be reserved until the end of the year

Motion from Committees: Motion to accept Item 2 as stated above: **Passed**

Data Summary – Various Examples of Food COGS to Food Income

Parties, 2013-2014	39%
DR, Eight Sundays, Sept-Oct 2014	47%
DR, FY 2012-2013	63%
DR, FY 2013-2014	61%
Total Food, FY 2012-2013	55%
Total Food, FY 2013-2014	56%

3. Effective February 1, 2015, the following dining room prices should be changed as indicated below:

	Current Price	New Price
Adult Sunday	\$11.75	\$12.00
Adult Weeknight (M-Th)	\$9.75	\$10.00
Senior Weeknight (M-Th)	\$8.75	\$9.75
Friday Night	– No Change.	

Back to Committee: Recommend reducing children plate charge.

Motion from Committee: Motion to accept recommendations in Item #3. **Passed** unanimously.

Above change in charges estimated to increase income by \$2,000 - \$2,500 annually.

2. 2015 Budget

Chair: Linda Tinga, Treasurer.

Motion from Committee - Motion made by the President to accept the proposed 2015 budget **Motion passed unanimously.**

3. Presentation of Michael Underwood’s site plan. Janet Warren presented for Patsy Weinel the proposed re-parceling of the Hanover Seaside Club property to allow for re-evaluation by the New Hanover County Tax Office. The re-parceling should allow for reconsideration on tax values in the future. Nine

copies of the plan were provided to all board members for their review, comment and approval. A short discussion was held.

The following motion to accept the site and instruct Michael Underwood, PA and Lonnie Williams Jr, Attn. to proceed with the filing of these new documents before the end of the year. The new re-evaluations should be reflected in the 2015 tax bill.

Motion made by the President to accept –

I move to accept the tax re-evaluation drawings that reflect:

- A. Thirty (30'0") easement for S. Lumina Ave.
- B. Parcel 1A, as shown on the site plan, 605 S. Lumina not to be included in the main HSC property parcel but kept as separate parcel.
- C. State HSC land to be owned to the ocean water line as the deed so states. The land mass between the ocean water line and the Wrightsville Beach Construction Line to be negotiated down in value or taxed at no value, but do not give up any ownership of land other than what is stated in the deeds.
- D. Combine parking lots and main club facility site into one parcel.

Motion passed unanimously.

Post Board Meeting note: Janet Warren emailed Michael Underwood, Lonnie Williams Jr, Patsy Weinel and Linda Tinga of the board's decision on Monday November 24, 2014

4. Comments of President Eddie Lawler:

- A. Mr. Jim Tyson passed away, his services will be held on Saturday at 11:00am at St. Paul's Lutheran Church.
- B. Grady Windham, CPA will be at the December 2014 Board Meeting to discuss his review regarding the past treasurer power point presentation at the October 2014 Board Meeting/Executive Session.

5. Next Board Meeting scheduled for December 15, 2014, Monday evening, at 7:00pm.

Location at the HSC.

No further business, the meeting was adjourned at 9:30pm.

Executive Session called at 9:30pm.

Above Minutes respectfully submitted by,
Janet Warren