

# Hanover Seaside Club



founded in 1898

601 South Lumina Avenue  
Wrightsville Beach, NC 28480  
910.256.2726

P. O. Box 434  
Wrightsville Beach, NC 28480

## Board of Directors Meeting Minutes

**Date:** November 21, 2013

**Location :** Hanover Seaside Club

**Call to Order:** 6:38pm

### Board Members in Attendance:

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

Board members (6) -

Chris Furr	Jake Wessell	Elise Beall
Jim Morgan	Tommy Cheatham	John Cockrum

Quorum: Yes

**Appointed Recording Secretary for meeting:** Janet L. Warren

**Adoption of Minutes:** Motion to approve revised October 2013 Bd. of Directors Minutes by President Eddie Lawler.

Second by: Elise Wessell, Motion passed.

### Reports of Officers.

**President: Eddie Lawler**

Report given at end of meeting.

**Vice President: Sally Godwin**

Membership Committee Report given in Executive Session.

**Secretary / Treasurer: Linda Tinga**

**Treasurer's Report:**

1. Received letter from John R. Thomas at 610 Coburn complaining of the HSC parking lot lights. He states they are not in compliance with the WB ordinances/code standards. The letter was given to John Cockrum, Board Member, to research and make recommendations to the board.

2. First event of the year was the oyster roast. 94 people attended. A cost analysis was provided to the board which includes a 20% overhead calculation. Board asked questions of the statement including income breakdown, no charge for the barbeque served. Barbeque was from previous function and not included in the breakdown from the manager. 13 bushels of oysters were served. Statement reflected Net Income of \$1,611.21, cost and overhead at \$ 1,485.98. Profit of \$115.23 for the event.
3. Linda Tinga reviewed and answered questions about the P & L statements.
  - A. Chris Furr requested that the staff Christmas gift and any bonuses from party profits be paid out separately before the end of the year. The party profit formula was determined by the board in 2012 at 40% for Mollene, 30% for Beth and the balance divided equally among employees leaving in good standing. Chris asked that the checks be included in the upcoming payroll cycle.
  - B. The Treasurer asked why hasn't the HSC Manager been providing a monthly manager report to the board? Eddie Lawler stated that she did not have a report for November 2013.

**Finance Committee Report:** None

**Point of Sale /POS Report by Steve Lee:**

Steve Lee asked the board if they needed any additional information from him. The total integration of the TAM and POS system should be finished within the next three weeks.

**Reports from Committees.** (Alphabetical order.)

**Communications Committee –**

**Chair:** Elise Wessell Beall

**Communications Committee Report**

There are currently 447 users registered for the website. Of these, approximately 10 have either incorrect e-mail addresses associated with their accounts or their mailboxes are full so e-mails are returned. My goal before the end of the year is to update e-mail addresses for those being returned so that everyone receives an e-mail.

Board Minutes are current through October. Financials are current through September. Revised Rules and Party policy have been added to the site.

I am trying to reduce blogs to once per week so that members don't stop reading them except when advertising special events. Will blog special events on their own (like Oyster Roast) to try to increase participation. Anything that should be included in the blog should be e-mailed to [elise@elisebeall.com](mailto:elise@elisebeall.com) by Wednesday of each week. Blogs are generally posted on Thursday or Friday.

NC Floatilla information will be updated on the blog.

**Constitution Committee –**

**Chair:** Jake Wessell

**Committee:** Elise Wessell Beall & Ann Hutteman.

**\*\*\* Second Reading of the proposed HSC Constitution changes are as follows:**

**Attached Jake Wessell's Proposed Constitution Changes released 11.19.2013 from Committee.**

**Proposed Revisions to Hanover Seaside Club Constitution - 2014**

**PROPOSED CHANGES AND/OR ADDITIONS ARE IN YELLOW**

**1. ARTICLE III**

**Membership Regulations  
(MARCH 2013 VERSION)**

**Section 2.** The Board shall appoint the Membership Committee, consisting of three (3) regular members, who shall serve for one (1) year and until their successors are appointed. The identities of the membership committee shall not be divulged. The members of the committee shall receive all applications for membership from the Secretary-Treasurer. It shall then be the duty of the Membership Committee to thoroughly investigate each applicant, especially as to character, moral habits, business or professional standing in the community, and any other facts that would be of assistance to the Committee in passing on the applicant. A unanimous vote is required from the Board of Directors to approve each application. A rejected application cannot be re-submitted for membership for a period of one (1) year. (3/2/13)

**(PROPOSED FEBRUARY 2014 REVISED VERSION)**

**Section 2.** The Board shall appoint the Membership Committee, consisting of three (3) regular members, who shall serve for one (1) year and until their successors are appointed. The identities of the membership committee shall not be divulged. The members of the committee shall receive all applications for membership from the Secretary-Treasurer. It shall then be the duty of the Membership Committee to thoroughly investigate each applicant, especially as to character, moral habits, business or professional standing in the community, and any other facts that would be of assistance to the Committee in passing on the applicant. **A two-thirds (2/3) majority vote of the entire Board of Directors is required to approve each application.** A rejected application cannot be re-submitted for membership for a period of one (1) year. (3/2/13)

**Rationale:** *Changes to the Constitution only require a two-thirds (2/3) majority vote of members present and voting at an annual meeting; therefore, there is no good reason to require a much stricter vote for approving new membership applications. Requiring a unanimous decision makes it difficult for the Board to bring on new members, since it only takes one vote to block a potential membership.*

**Motion:** **The Constitution Committee requests that the above, Article III Membership Regulations, Section 2, be revised to reflect the proposed changes as stated.**

*From Committee, requires no second. Motion passed.*

**2. ARTICLE III**

**Membership Regulations  
(MARCH 2013 VERSION)**

**Section 4.** Any member failing to pay annual dues by April First (1/29/93) of each year shall be automatically suspended and shall be denied the privileges of membership until such dues are paid. Acceptance of full arrears and restoration of membership shall be within the discretion of the Board.

**(PROPOSED FEBRUARY 2014 REVISED VERSION)**

**Section 4.** **The membership year shall be from April 1 of the current year through March 31 of the following year.** Any member failing to pay annual dues by April First (1/29/93) of each year shall be automatically suspended and shall be denied the privileges of membership until such dues are paid. Acceptance of full arrears and restoration of membership shall be within the discretion of the Board.

**Rationale:** *The current Constitution does not define the membership year. When the Constitution was written, the Club had historically operated from Memorial Day through Labor Day. Since the Club is currently operated on a year-round basis, it is necessary to define when the membership year begins and ends. In addition, a defined membership year will improve functionality of the new Point of Sale system.*

**Motion:** **The Constitution Committee requests that the above, Article III Membership Regulations, Section 4, be revised to reflect the proposed changes as stated.**

*From Committee, requires no second. Motion passed.*

**3. ARTICLE III**

**Membership Regulations  
(MARCH 2013 VERSION)**

**Section 6.** "Initiation Fees. The initiation fee for joining the Hanover Seaside Club will be \$5,000.00. (3/23/07) The initiation fee for children of members in good standing, provided they apply and are accepted for

membership in accordance with Section 2 of this Article when first eligible - which is on or before their 24<sup>th</sup> birthday, unless marrying in which case it will be on or before the date of marriage; will be per the following table: (03-19-2010)

# Yr. Member	% Initiation
2	80
3	75
4	70
...	...

**(PROPOSED FEBRUARY 2014 REVISED VERSION)**

**Section 6.** "Initiation Fees. The initiation fee for joining the Hanover Seaside Club will be \$5,000.00. (3/23/07) Children of current members in good standing shall be eligible to join the Hanover Seaside Club, provided they apply for membership on or before their 26<sup>th</sup> birthday or the date of their marriage, whichever occurs first. The initiation fee for eligible children of members, who are accepted for membership in accordance with Section 2 of this Article, will be a reduced fee per the following table:

# Yrs Parents Have Been Member	% Initiation Fee
2	80
3	75
4	70

(Table remains the same)

***Rationale:** Wording in the March 2013 version of the HSC Constitution was difficult to understand and did not seem to provide an adequate time period for children of current members to become prepared for the financial responsibilities of club membership (i.e. initiation fees and dues). Many young adults these days are graduating from college with very few available employment opportunities and enormous amounts of school loan debt; therefore, their ability to afford the initiation and dues payment at 24 years old is much more difficult today (compared to just a decade ago), and giving them a couple of additional years to establish their career paths and support themselves financially will be a great benefit. This change also complements one of the provisions of the Affordable Care Act of 2010 which allows for children to stay on their parents' health care plan until age 26.*

**Motion:** The Constitution Committee requests that the above, Article III Membership Regulations, Section 6, be revised to reflect the proposed changes as stated.

*From Committee, requires no second. Motion passed.*

**4. ARTICLE V**

**Classification of Membership Rights and Privileges of Membership**

**Limitation of Membership (MARCH 2013 VERSION)**

**Section 2.** Application and qualifications for membership.

(A) REGULAR MEMBERSHIP (1) Application for Regular Membership. On recommendation by a member of the Board, a Seasonal Member, who has been a member of this Club for a minimum of five (5) years, may be considered by the Board for Regular Membership. The decision of the Board must be unanimous.

**(PROPOSED FEBRUARY 2014 REVISED VERSION)**

**Section 2.** Application and qualifications for membership.

(A) REGULAR MEMBERSHIP (1) Application for Regular Membership. On recommendation by a member of the Board, a Seasonal Member, who has been a member of this Club for a minimum of five (5) years, may be considered by the Board for Regular Membership. **A two-thirds (2/3) majority vote of the entire Board of Directors is required to approve each Seasonal Member's change of status to Regular Membership.**

***Rationale:** Changes to the Constitution only require a two-thirds (2/3) majority of members present and voting at an annual meeting; therefore, there is no good reason to require a much stricter vote for approving a change in membership status. Requiring a unanimous decision makes it difficult for eligible Seasonal members in good standing to make the change to Regular member, since it only takes one vote to block the Board decision. In a recent Board vote, over 20 Seasonal members requested to be made Regular members; however, only one member received a unanimous vote, leaving over 10 available Regular membership positions unfilled.*

**Motion:** The Constitution Committee requests that the above, Article V Classifications of Membership Rights and Privileges of Membership Limitation of Membership, Section 2, be revised to reflect the proposed changes as stated.

*From Committee, requires no second. Motion passed 7 to 2.*

5. **ARTICLE V**  
**Classification of Membership Rights**  
**and Privileges of Membership**  
**Limitation of Membership**

**(MARCH 2013 VERSION)**

**Section 4.** Member's Family

(A) Privileges for member's family. Except as may be limited by this Constitution or by the Board, a member's family, as defined below, shall be entitled to the use of all facilities of the Club.

(B) Member's family who qualify

(1) Widowed mother and/or widowed mother-in-law; widowers also qualify.

(2) Unmarried sons and/or daughters who are under the age of 24. (3-19-10)

...

**(PROPOSED FEBRUARY 2014 REVISED VERSION)**

**Section 4.** Member's Family

(A) Privileges for member's family. Except as may be limited by this Constitution or by the Board, a member's family, as defined below, shall be entitled to the use of all facilities of the Club.

(B) Member's family who qualify

(1) Widowed mother and/or widowed mother-in-law; widowers also qualify.

(2) Unmarried sons and/or daughters who are under the age of 26...

**Rationale:** This proposed change is associated with, and would be an effect of, the successful revision to Article III, Section 6, as indicated in proposed change #3. The rationale for this revision is the same as for the associated change #3, as shown previously. Note this proposed change requires approval of proposed change #3; therefore, if proposed change #3 fails, then this proposed change should also fail.

**Motion:** The Constitution Committee requests that the above, Article V Classifications of Membership Rights and Privileges of Membership Limitation of Membership, Section 4, be revised to reflect the proposed changes as stated.

*From Committee, requires no second. Motion passed 7 to 2.*

6. **(PROPOSED ADDITIONAL ARTICLE FOR FEBRUARY 2014 VERSION)**

**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.

**Rationale:** The current Constitution does not contain an article defining the parliamentary procedure that will be used to govern meetings of the Hanover Seaside Club. *Roberts Rules of Order* is the most commonly used set of parliamentary rules for organizations. The Constitution needs to state that we will follow this set of rules.

**Motion:** The Constitution Committee requests that the above, Article VII Parliamentary Rules, Section 1, be revised to reflect the proposed changes as stated.

*From Committee, requires no second. Motion passed.*

**\*\* End of Document.**

**House Committee –**

**Chair:** Elise Wessell Beall

**House Committee Report**

The House Committee has the room reservation form ready to include in the December mailing.  
(Note end of this document for Committee's proposed form.)

1. The House Committee moves that member reservations be accepted with postmarks beginning March 3. Guests may mail reservations on or after March 13. As in the past, if a member mails the reservation prior to the date specified, the reservation will be held until March 13.
2. The House Committee moves that the new committee meet the week of March 25-29 to Make room assignments so that invoices can be sent by April 1.
3. The House Committee moves that payment for rooms must be received by May 1. If rooms are not paid, the secretary-treasurer will contact the member immediately to ascertain if they still want the room. If so, they must pay immediately or forfeit the reservation.

The House Committee suggests that available rooms be posted on the website by May 10 to give members and their guests the opportunity to book available rooms.

**Facilities Committee –**

**Chair:** John Cockrum

**Maintenance Recommendations and Funding Request for 2014 Budget Year**

**Facilities Committee  
Hanover Seaside Club  
19 November 2014**

**2013 Facilities Committee:**

John Cockrum, Chair  
Bo Wessell  
Jake Wessell  
Nancy May  
Jim Morgan  
Eelco Tinga  
Jean Lawler  
Duncan McFadyen

The HSC Committee has conducted ongoing meetings with the purpose of identifying current and long term maintenance issues for the Club's assets and to pursue funding and resolution of these issues.

The Committee met multiple times throughout the 2013 calendar year to identify, discuss, and quantify maintenance issues for introduction to the Finance Committee and Board of Directors for inclusion in the 2014 Budget Year. We have prioritized and identified the items we deem necessary and attempted to quantify expenditures of said items. See attached list.

During the 2013 Budget Year, the Facilities Committee identified two items: Painting / Pressure Washing, and Stabilization of the Kitchen Floor that were not pursued during 2013. Thus, we have included them on the 2014 Budget Request as these items are now critical to be addressed. (Approximately \$18,000)

The Excel Spreadsheet from John Cockrum did not copy, below is the information in Word :

**Hanover Seaside Club Update as of 11/15/2013**  
**Facilities Committee - Recommended Maintenance Items 2014**

**High Priority Items:**

1. Power Washing and Painting: Exterior Main Building Prevent further deterioration of existing wood surfaces	\$12,500.00
2. Stabilize kitchen floor and install temporary floor patch Safety issue	\$5,000.00
3. Repair Screens in both locker rooms Hygiene - to prevent entrance by rodents, insects, etc.	\$500.00
4. Pier Floating Dock Repairs Prolong longevity of floating docks	\$1,500.00
5. Dredging of boat slip areas Deep water availability is decreasing rapidly	\$15,000.00
6. Electrical Maintenance - Exterior Lighting / Receptacles / Grill Areas Safety Issue	\$2,000.00
7. Pier Deck Area Mats Safety issue with deteriorating wood decking / covers existing surface	\$10,000.00
8. Repairs to existing concrete bulkheads at Sound Side Concrete is deteriorating rapidly each year / prevent further breakdown a. Includes sidewalk repairs & boat ramp approach	\$6,000.00
9. Number not used.	
10. Evaluate Potential Settling by Structural Engineer Stabilization of kitchen addition / needs evaluating	\$4,500.00
11. Replace screen doors in picnic area Deteriorating	\$1,500.00

**Items for Rental House**

12. Items Needed for Rental House	
a. Furniture Replacement	\$2,000.00
b. Mattress Replacement	\$1,000.00
c. Interior Painting	\$1,500.00
d. Exterior Painting	\$1,850.00
e. Contingency for Unforeseen's	\$5,000.00
13. Purchase of (4) Gas Grilles	<u>\$4,500.00</u>
<b>Total for above items</b>	<b>\$74,350.00</b>

14. Part Time Maintenance Person Annual Wage Projection This should remain in the budget	\$6,000.00
15. Unforeseen Maintenance Contingency	<u>\$10,000.00</u>
<b>Total Budget</b>	<b>\$90,350.00</b>

**Not Prioritized:**

1. Replace flagpole lighting fixtures Damaged	\$100.00
2. Rework HVAC condensate and other piping above chair lockers Unsightly on north side.	\$500.00
3. Replace locking bar for dumpster enclosure gate	\$30.00
4. # not used.	
5. # not used.	
6. # not used.	
7. # not used.	
8. Fully Evaluate Kitchen Floor Issue \$50,000.00 Long term repair	

**Additional information:**

The club might need to replace three screens and there might be additional electrical needs on the outside of the building.

Received letter from Duke Energy, the meter base at the pier has been replaced.  
Ground outlets at pier need to be addressed, currently off.

**Long Range Planning Committee -  
Chair Tom Cheatham**

John Hancock will assist in the presentation and report. (Graphics not included.)  
Left early, presentation by Tommy Cheatham.

**HSC LONG RANGE PLANNING COMMITTEE (LRPC)  
2013 Membership Survey Analysis: Findings & Conclusions  
October 24, 2013**

**Original Plan Completion:** Given the current age(s) etc., of Members, membership levels can change in future years. This has the potential to alter facility adequacy and therefore the need for capital investment in facility changes.

- \* Included in the 2013 Membership Package was a questionnaire to gather Member data such as ager# of children, etc.
- \* Note that Member Data for ages 24 and older display Member Paying Unit (MPUI), i.e. Al & Ann Ocean equals 1 Member Paying Unit (MPU).Pre24 includes kids of Members.
- \* This numerical data has been used to project overall membership trends and preferences in five year increments out to 2023.
- \* What do these findings tell us and share same with the HSC BOD.  
EXCEL spreadsheet analysis is the tool used. There are three (3) assumptions made:
  - \* Last five years are averaged for future year children numbers.
  - \* 60% of children\* of members join independently before age 24-
  - \* 40% of senior members terminate membership after age75.

**Membership Projections** (Total MPU's + kids of Members age 23 or less)

2013 Actual	: 857
2018	: 831
2023	: 831
2028	: 825
2033	: 825

**Conclusions:**

- \* There is little upside risk of outgrowing existing facilities in the next 20 years.  
. Opportunity exists in the coming years to add new members other than children of current members assuming that the 2013 membership level is acceptable.
- \* Primarily future downside risk is a change in tax-exempt status at the Federal or State levels thus raising membership cost significantly, resulting in significant reduction in membership levels.
- \* A Hurricane Hazel level devastation would call for replacement in kind, with little incentive for expansion.

The EXCEL spreadsheet model can be altered to include different assumptions and thus differing results for future membership levels.

**There was a Power Point display of spreadsheet details shown**, aimed at better understanding membership dynamics.

\* This assumption is valid for 2013 to date.

Power point and graphics to be placed on the website.



**Membership Committee -**

**Chair –** Sally Godwin

Report given in Executive Session.

Guidelines needs to be made and presented to the board for the procedure for seasonal members to request consideration as a regular member in the future. Sally will call a meeting and come back to the board with the committee's recommendations.

**Nominating Committee –**

**Chair:** John Cockrum

No Report. Discussion regarding Robert's Rule of Order recommendations for this committee and releasing the proposed slate of officers for the 2014 Annual Meeting. Deadline for nominations is December 1, 2013. As of this meeting the nominating windows is still open.

**Operations Management Committee –**

**Chair:** Chris Furr

**Operations Committee Report to HSC Board – Nov. 21, 2013**

The Operations Committee met Oct. 30, 2013 to consider recommendations from the club manager and assistant manager on revisions to the snack bar operations for the 2014 season. Changes were unanimously approved by the committee. The potential budget impact is estimated to be no more than \$600 and the committee will make a recommendation to the Finance Committee for that amount to be in the 2014 budget.

At its next meeting (tentatively set for early December) the committee intends to do the annual performance evaluations for the manager and assistant manager. Any comments from the board need to be sent directly to Chris Furr.

**Social Committee –**

**Chair:** Tommy Cheatham

NC Floatilla weekend and Saturday evening prime rib dinner (11.30.2013) reservations being accepted.

Christmas Party December 21, 2013. (Free by reservations)

Children's Breakfast with Santa is scheduled for 12.14.2013.

Christmas Dinner is scheduled for 12.15.2013

Additional notifications will be on the HSC blog account.

**605 Lumina Rental Property Report -**

**Chair:** Jim Morgan

No report.

**President Report –**

Eddie Lawler, President

Discussed what should be included in the December 2013 letter to the general membership.

**New Business/Other Comments:** None

Above Minutes respectfully submitted by,  
Janet L. Warren  
December 14, 2013

**Executive Session called at: 9:20pm** – Minutes taken by others.

**New Business.**

**Old Business.**

**Meeting Adjourned at 9:30pm.**

**Note attachments below.**

**Attachment #1. : Form as submitted by House Committee, Nov. 14, 2013:**

# Hanover Seaside Club

**Room Reservation Form - Summer Season 2014**

**Please review General Hanover Seaside Club Rules prior to completing this form.**

**Complete one form for each week requested.**

Member Name: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_ Phone No. \_\_\_\_\_

Please list member names to occupy room and give **ages of children**:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please list guest names to occupy room and give **ages of children**:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Total number to occupy room:** \_\_\_\_\_ **Total number of rooms requested:** \_\_\_\_\_

**Week 1/Room Requested** (please note that all weeks during the season are Saturday to Saturday):

1<sup>st</sup> Choice: Week of \_\_\_\_\_ Room \_\_\_\_\_

2<sup>nd</sup> Choice: Week of \_\_\_\_\_ Room \_\_\_\_\_

3<sup>rd</sup> Choice: Week of \_\_\_\_\_ Room \_\_\_\_\_

I am willing to accept any available room. Yes \_\_\_\_\_ No \_\_\_\_\_

I am requesting 2 consecutive weeks. I only want 2 weeks if they can be consecutive. Yes \_\_\_\_\_ No \_\_\_\_\_

I would prefer to stay with the following family/friends, if possible:

\_\_\_\_\_

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