

ROCKPORT COUNTRY CLUB MEMBERS ASSOCIATION

BOARD OF DIRECTORS MEETING MINUTES

January 18, 2018

A Regular meeting of the Board of Directors of the Rockport Country Club Members Association was held at the temporary offices of Rockport Country Club, 101 Champions Dr., Rockport, Texas.

**PRESENT:** Jon Heffron-President, Stan Davis, Ric Young, Mike Couvillion, Herb Sutter, Charles Giese, Tiffanie Hoover, John Wheeler and Chet Cloudt.

Also in attendance: James Creekmore and the General Manager - Rick DeLoach.

The President convened the meeting at 11:35 AM.

**GUESTS:** There were two guests attending the meeting, Mr. John Cochran and Mr. Steve Kissell of ClubDesign Associates.

**APPROVAL OF MINUTES:** December 20, 2017 Board Minutes: Approved with no changes.

**FINANCE REPORTS:** Presented by James Creekmore, Reports referenced.

- James summarized his review of the proposed budget. He advised the committee that the budget reflected the current analysis of financial operations for 2018.
- The financial statements for 2017 and the audited financial statements for the annual meeting could be delayed beyond the end of February 2018 due to the resolution of some of the insurance issues. James reviewed some of the variables associated with accounting issues surrounding the change in asset values involved with the insurance reimbursements, how repairs and non-permanent expenses would be presented in the financials and other balance sheet issues affecting the 2017 financials and depreciation schedules going forward.
- Rick summarized his budget assumptions on revenues and expenses. There was a general discussion by the board regarding the budget and how the club would manage its resources during the year.
- A motion was made and seconded to accept the 2018 Annual Budget as presented by the General Manager. The motion was approved.

**STATUS OF RECOVERY:**

- John Cochran of ClubDesign Associates made a presentation to the board regarding the Phase II: Project cost estimate and detailed drawings of the proposed re-build of the clubhouse.

- Because of Hurricane Harvey and that Rockport was declared a disaster area; the club will not have to pay sales tax on labor or materials as the club is rebuilt.
- Mr. Cochran reviewed the detailed drawings of the proposed design and explained various details that were included. He also provided cost projections for each portion of the re-build of the main clubhouse. The current estimate is \$1,570,000 to complete the project. This includes a contingency fund to handle any unforeseen items that might come up.
- Mr. Cochran advised that we closely review the plan and that we should identify any changes that we would like to make. At this point in the planning changes do not require any additional funds but after construction begins, changes can be expensive. The special re-building committee will be responsible for reviewing the plans and making any recommendations.
- One change was recommended to remove the skylights over the new bar area. This will be included in the roof replacement and will eliminate potential problems down the road.
- The contractor has received two bids to replace the roof and Jon has requested that at least one more bid be obtained before letting the contract. Roof repair should begin soon.
- ClubDesign also felt that if we approved the plan that the completion date of August 31, 2018 was a realistic target.
- A motion was made and seconded to approve the plan for the rebuild of the clubhouse in the amount of \$1,570,000, and have ClubDesign move on to phase III, the completion of the construction documents. The motion was approved.
- The Board also authorized ClubDesign to begin the process of developing a plan to re-build the Fitness Center.

**GREEN COMMITTEE:** Herb Sutter

- Herb presented the minutes of the Greens Committee's January meeting. See attached.
- Herb advised that there were 24 issues that were being addressed to have the course ready for its January 27<sup>th</sup> opening date. Several of the greens have been re-sodded in problem areas.
- Herb advised that there would be some Post Hurricane rules handed out to golfers to protect the new re-seeded areas of the course and the need to protect the course in general as the repairs need time to take effect.
- There was also a discussion regarding the need to have John Zuniga licensed to spray mosquito chemicals at the club and the need to have someone else licensed to do the spraying.

**OLD BUSINESS:**

- There was a discussion regarding the Kustom mitigation invoice. Jon advised he had contacted Kustom but there has still been no resolution of the bill.
- We discussed the Rockport WiFi placement of a new antenna on the Club property and how we will be able to use the new wifi equipment that is being provided to the club.
- Jon advised the Board that there were eight employees who have signed up for health insurance. There may be additional enrollees as we bring back more employees to staff the club when it is reopened.

### **NEW BUSINESS:**

- The date for the RCC Annual Meeting was set for March 31, 2018. If weather permits, the meeting will be held in the parking lot of the club.
- Ric Young, the chairman of the nominating committee, advised the board that he had completed the slate of nominees for the RCC Board positions that will be vacated at the Annual Meeting. The nominees are: Charles Marsh, Elise Kahn, John Hitchcock and Glen Kliebert.
- The General Manager will prepare and send out all notices for the election of directors and the annual meeting.
- There was a discussion regarding the club's golf cart fleet. Rick introduced a proposal to replace the entire fleet with a new 40 cart fleet of Club Car golf carts. The proposal would allow the club to save some money by not having to make repairs and battery replacements of our oldest carts. The proposal was tabled until a later date.
- Rick advised the Board that the EZLink software that was being installed at the Club does not have a payroll application and he proposed that we use Paychex Flex to manage our Payroll, Human resource requirements, Retirement and Insurance.
- A motion was made and seconded to approve the acquisition of the Paychex Flex software. The motion was approved.
- There was a discussion regarding by-law changes that would be proposed and voted on at the Annual Meeting. The by-law regarding medical leave of absence will be proposed to be changed to give the Board discretion to extend medical leave for specific cases. Also recommended was a change to the borrowing limitation imposed by the by-laws to restrict the amount of long term debt the club can obtain. There was a proposal to increase the amount of capital expenditure the board can authorize without having to get member approval. Jon will work on the wording for the proposed changes and have them ready by the February board meeting.

### **CAPITAL EXPENDITURES:**

- No capital expenditure requests were presented at the meeting.

**ADJOURN:** Upon a motion made and seconded, the Meeting was adjourned at 2:50 PM.

