

BOARD OF DIRECTORS MEETING MINUTES

Rockport Country Club Members Association

June 30, 2021

A Regular Meeting of the Board of Directors was held on June 30, 2021. Board members in attendance were: Craig Bohn President, Arno Penshorn, Charles Marsh, Barbara Smyth, Jeanne Hooker, Jeff Hulse, Jerry Foust, Red Hunt, and Bruce Hood.

Others in attendance were: Rick DeLoach, General Manager, James Creekmore of Johnson & Creekmore, and Blake McDavid of GSM Insurors

Craig Bohn called the meeting to order at 4:00 PM.

Approval of Prior Meeting Minutes: Craig asked if there were any changes or additions to the minutes of the regular meeting of the Board conducted on May 26, 2021, there being none, **A motion was made and seconded to approve the minutes from the last Board of Director's meeting conducted on May 26, 2021. A vote was taken and the motion carried.**

Windstorm Insurance: Blake McDavid, GSM Insurors, informed the Board of the status of the Club's Windstorm insurance policy. Blake noted that the Windstorm Insurance industry was changing rapidly and wanted the Board to understand the potential impact these changes could have on the Club. As an example, Blake reminded the Board that our deductible amount for the current policy had increased from 2% to 3% of the policy amount. Blake expects within a few years this percentage will increase to 5%. Blake also advised that our current policy covered various locations of the Club and a deductible would be assessed per location. This would be very costly during a non-severe storm where only minor damage occurred. The policy we currently have covers all locations including the pump station equipment located at the Rockport wastewater treatment plant and the pumps near the Club's driving range.

Member Correspondence: No member correspondence was received during the month.

Financial Statements, Operating Results, Past Due Report

- **Financial Statement:** James Creekmore provided a summary review of each item on the Balance Sheet. The following key figures were reported. Total Assets of \$10,445,782, Total Liabilities of \$1,692,531 and Total Equity of \$8,753,251. He also mentioned that the current portion of L/T debt stands at \$151,886. James noted that the Total Cash Accounts was \$659,326. James briefly went over each department's activities and reported the following key income figures: MTD Total Income of \$284,138 vs. a budget of \$272,580; MTD Total Expenses of \$223,001 vs budget of \$208,857; Net Operating Income of \$22,831 vs budget of \$33,080; and Net Income after amortization and

depreciation of \$(7,292) vs budget of \$2,957. The Internal Revenue Service is responsible for paying the Employee Retention Credit and there is no definitive date for the receipt of this payment.

- **Operating Results:** Rick summarized the Financial Review Report which provides the highlights for each segment of the Club's business activities, including an over/under analysis of actual performance vs budget for all Club departments. Rick noted that recruitment and retention of staff remains an issue which impacts all Club functions. The continual training of new staff reduces the effectiveness of existing staff and is very costly.
- **Past Due Report:** Rick reviewed the Past Due Report with the Board members. The report remains relatively clean. Jessica Gall's account remains delinquent. The Navy Army Credit Union account is also delinquent. Rick has attempted to contact someone at the Navy Army Credit Union to bring the account up to date.
- **Committee Reports:**
 - **Finance Committee (Charles Marsh)** – Charles reported that the Finance Committee met on June 22, 2021. Much of the Finance Committee meeting covered the financial information above. Charles reported that the Committee had discussed the windstorm insurance policy as presented by Blake. The Committee also was advised by Rick on the status and cost of the pool repair.
 - **Golf Committee (Red Hunt)**—Red reported that the Golf Committee had met on June 11, 2021. Red noted that rounds of Golf were down for the Month of May due to the unusually wet weather. Red reviewed the upcoming tournaments with the Board. Red also reported that the course was being re-rated by the Texas Golf Association which will influence the rating of each hole. A discussion was held regarding local rules to govern sand trap play and its effect on the course rating. It was suggested that all Club golf groups agree within that group on how to play the sand traps. Red stated that the Committee was looking into the establishment of a rules committee to establish Club rules.
 - **Greens Committee (Bruce Hood)**- Bruce reported that the Committee met on June 3, 2021. Course maintenance continues as scheduled. The re-sod project for dead spots on greens 3,4,8,9,13,15,16 has been delayed due to locating the required sod. The bridge on hold #14 continues to be a problem requiring attention and repair for it to be used.
 - **House Committee (Barbara Smyth)** –Barbara reported that the House Committee met on June 8, 2021. Barbara noted that the Friday night buffet was very much enjoyed and accepted by the members. Barbara stated a corkage fee was being considered for members wishing to bring wine to the dining room. Members would be allowed to bring wine to the dining room when that wine is not available at the Club. The fee being considered is \$20.00.

- Membership/Swim-Tennis-Fitness (Arno Peshorn) –Arno reported a Membership, By-Laws, Fitness, and Swim Committee met on June 9, 2021. Arno reported that the Club had 561 members at the end of May 2021 which is an 8-member increase from April 2021. Rick noted that he had received quotes for the repair of the cracks in the tennis court as well as the installation of tennis court lighting. Rick is evaluating the quotes currently. Jeff asked if an additional pickle ball court could be marked on the tennis court marked for pickle ball. Rick will get some additional tape which Jeff agreed to place making an additional pickle ball court.

Old Business:

- Pool repairs/status update: Rick reported that American Leak Detection assessed the leaks in the pool and determined that the leaks were near the skimmers. It will cost \$2,150 for the repair. Repairs are scheduled for August 8/9.

New Business:

- New Member Approval: Rick provided a list of proposed new members for the Board's consideration. **A motion was made and seconded to approve the new members. A vote was taken, the motion carried.**

Adjourn: No further business coming before the Board, the meeting was adjourned at 5:50 PM.