

BOARD OF DIRECTORS MEETING MINUTES

Rockport Country Club Members Association

November 20, 2019

A Regular Meeting of the Board of Directors was held on November 20, 2019. Members in attendance were: Craig Bohn, President, Charles Marsh, Charles Giesey, Red Hunt, Elyce Kahn, Glenn Kliebert and Herb Sutter.

Chet Cloudt was absent.

Others in attendance were: Rick DeLoach, General Manager, and James Creekmore of Johnson & Creekmore, CPA's

The meeting was called to order by Craig Bohn at 4:00 PM.

Approval of Prior Meeting Minutes: A motion was then made and seconded to approve the minutes from the last Regular Board of Directors Meeting held on October 30, 2019. A vote was taken and the motion carried.

Member Correspondence: Craig informed the Board that he has received a letter of resignation from Vicki Buck stating that she could no longer serve as a Board member for personal reasons. Craig complimented Vicki's contributions to the Club's operations and expressed his regret that she was no longer able to serve.

Board Member Selection: Craig stated that as a result of Vicki Buck's resignation, the Board would need to fill the vacancy. Prior to the Board meeting, Craig had discussed with Bruce Hood his willingness to accept the vacant position and Bruce had agreed. Craig indicated that Bruce was very active in Club functions and was currently serving on the Greens Committee. **A motion was made and seconded to approve Bruce Hood as a Board Member of the Rockport Country Club Members Association. A vote was taken and the motion carried.**

September 2019 Financial Statements, Operating Results and Past Due Report (James Creekmore and Rick DeLoach):

- Financial Statements (James Creekmore)
 - **Balance Sheet:** James provided a summary review of the Balance Sheet. The following figures were reported. Total Assets of \$10,373,549; Total Liabilities of \$1,965,678 and Total Equity of \$8,407,870. James also mentioned that the Club had executed the new Long-term note with Prosperity Bank in the amount of \$1,000,000 and that the total LT debt is now \$1,421,927. There were no questions regarding the Balance Sheet.

- Income Statement: James briefly went over each department's activities and reported the following key income figures: MTD Net operating Income actual of \$22,912 vs a budget of \$33,162. Net Operating Income actual for the year of \$131,449 vs budget of \$152,117. Net Income, after amortization and depreciation of (\$7,210) vs. budget of \$3,039 for October and actual of (\$169,775) vs. budget of (\$149,113) for the year. James mentioned that one of the primary reasons for our reduced income vs budget in October was payment of a portion of last months high energy costs, as well as the costs associated with Food and Beverage.
- Operating Results (Rick DeLoach): Rick provided a copy of the Financial Review Report (report referenced), 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. He stated that the results for the month were poor vs. budget. Primary areas of concern continue to be Golf Operations, Banquet Business, COGS and the kitchen labor.
- Cash Flow Projection (James Creekmore): James went over the cash flow report, which shows actual figures for completed months and budgeted figures for future months. He stated that the current cash flow projection (as of 10-31-19) for December 31, 2019 is \$517,479 vs \$516,680 at the end of the previous month.
- Past Due Report: Rick referred to the Member Aging Report and went over it briefly. He reported that the individuals listed with a line through them had paid their bills fully. He also said that all individuals who still owe money have been contacted and collection efforts are ongoing.

Committee Reports:

- Finance Committee (Charles Marsh): Charles reported that the committee had met on November 19, 2019. He also said that members of the committee had met with Rick DeLoach several times to discuss and finalize the 2020 proposed budget. Charles stated that Rick had prepared Departmental specific plans to help track budget accomplishments and areas where additional attention is required. **A motion was made and seconded to approve the 2020 Club budget. A vote was taken and the motion carried.**
- Golf Committee (Red Hunt): Red reported that the Golf Committee had met on November 13, 2019 (minutes attached). He said the Club had 1,734 rounds of golf in October. He then went over the past and future tournament activity and commented that October had been a busy month for golf.
- Green Committee (Herb Sutter): Herb reported that the Green Committee had met on November 7, 2019 (minutes attached). He commented that the new water pump motor located at the city plant had failed and will be covered under warranty. He also noted that the recent

cold weather followed by highly humid and warm weather hampered the growth of the greens. Derick is confident that the greens will continue to improve. John Hitchcock and Larry Hellums are starting the process of replacing out-of-bound markers.

- House Committee (Elyce Kahn): Elyce reported that the House Committee had met on November 13, 2019 (minutes attached). She said the committee has been working hard to improve F&B operations. She said that they were working with Chef Gordon to reduce food costs and changing the menu to provide healthier selections. Due to the success of the recent “Girls Night Out” function, another like-function has been scheduled.
- Membership Committee (Glenn Kliebert): Glenn reported that there had been no formal meeting of the committee in November.

Old Business:

- Maintenance Building: Rick reported that the build-out should be complete by the end of the month.
- Status of recovery and projects to be Completed: No discussion, other than the maintenance building update above.

New Business:

- Membership Christmas Party: It was agreed to have the Club Christmas Party on December 12. Hors d’oeuvres will be provided by the Club with a cash bar.
- 2020 Budget – In Review by Finance Committee: Previously discussed in the Finance Committee Report.

Adjourn: No further business coming before the Board, the meeting was adjourned at 5:10 PM.