

NBYC BOARD SPECIAL MEETING MINUTES, May 27, 2020

A special meeting of the New Bern Yacht Club Board was held on May 27, 2020, via video conferencing using Zoom due to government restrictions resulting from COVID-19. The purpose of this meeting was to decide how to proceed in regard to flood insurance for the NBYC Clubhouse property.

Those participating were: Sam Bidwell, Link Bonforte, Glenda Decker, Tom Hartman, Lucy Lichty, Arnie Litteken, Bill McHale, Mike Ott, and Bill Byrd (guest).

Bill McHale, Commodore, opened the meeting at 3:00 p.m. and welcomed Bill Byrd, who was representing the Financial Committee. Bill McHale asked Sam Bidwell to review the recommendations from the Financial Committee concerning flood insurance for the Club. As discussed at the May Board meeting, First Citizens Bank has informed us that, in all probability, we will be required to have this type of insurance due to our loan and the proposed new flood map. A decision from the Board must be made prior to a June 19 deadline in order to receive a grandfathered rate. Because the Committee had received only two of the three requested insurance company quotes at the time of the May meeting, a decision on insurance was tabled until the third quote had been received. After hearing from the third company, the Financial Committee emailed a succinct description of the three quotes and the options before the Board so that a decision could be made. The options, along with the Committee's recommendations, were as follow:

- Get flood insurance or retire the loan. Because we cannot retire the loan with our current Cash-on-Hand and a decision cannot be made prior to the June 19, 2020, deadline, the Committee's recommendation was to decide on this course of action at a later date once we see the effect of the cost of flood insurance on our budget.
- Purchase flood insurance now to retain a preferable grandfathered rate or wait beyond June 19 to see if we will be required to purchase the insurance. The Committee's recommendation was not to risk having to purchase a higher priced policy.
- The three quotes to consider are as follow:
 - \$1,000 deductible and \$1,308 cost per year
 - \$5,000 deductible and \$1,184 cost per year
 - \$15,000 deductible and \$1,008 cost per year

The recommendation from the Committee was to purchase the \$1,308 policy with a \$1,000 deductible, covering us for one year.

Sam moved to accept the Finance Committee's recommendation to purchase the flood insurance which has a \$1,000 deductible and a cost per year of \$1,308. The motion was seconded by Link Bonforte. The motion was passed. After the vote, Sam Bidwell mentioned that First Citizens Bank might request a higher amount of coverage, which would necessitate having to increase our deductible to \$15,000 to cover the higher insured value of the property.

Adjournment:

Motion to adjourn was made by Sam and seconded by Link. The motion carried and the meeting adjourned at 3:15 p.m.

Respectfully submitted, Glenda Decker, Secretary

Note: Approved Minutes can be viewed at <http://newbernyachtclub.com/index.html>. More dropdown, Member only, meeting minutes/reports.