

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
DIAMONDHEAD COUNTRY CLUB AND PROPERTY OWNERS ASSOCIATION, INC**

March 15, 2019

A mandated meeting of the Board was held at the Diamondhead Country Club, Diamondhead, MS. President Bob Marthouse chaired the meeting and called it to order at 7:00 PM.

Present were President Marthouse, Secretary Karen Rice, Treasurer Bill Hatchett, Director Gary Becker, Director Teresa Ertel, and Ex-Officio Pat Laird. Absent were Vice President Craig Harvey, Director Dick Nolan, Director Stewart Nutting, Director Donald Silcio, Director Jerome Tullier. Also present were GM Tom Koger, Controller Darrion McInnis, Attorney August Rechtein and approximately 60 members.

Minutes of the February 18, 2019 Meeting – A motion was made by Secretary Rice to approve the minutes, seconded by Treasurer Hatchett and approved unanimously.

Opening Remarks were given by President Marthouse. He introduced the new POA In-House Attorney August Rechtein and recognized the two representatives from GolfMAK.

GM Report – GM Koger reported on several items, some of which were:

- 158 violations have been reported to date with 146 of those now in compliance
- approximately \$140,000 has been recently collected after a push on delinquent accounts
- Easter Egg Hunt to be held on the grounds of the Club on April 13

Financials – The February financials were presented by Controller McInnis. Attached as Exhibit A.

Admin Committee Report – Director Becker, chair of the Admin Committee, reported that:

- A new **A/R Committee** was established to review members with past due accounts and to proceed with legal remedies to collect. The committee consists of Director Becker, Director Nolan, Secretary Rice and POA member Dalton Masson.
- GolfMAK has been hired as a consultant to offer suggestions to ease the transition to 2020. They will be compiling a report for submission in the next couple of weeks.

The **2020 Committee** is exploring several options to ease the transition. Among those are:

1. Lawsuit to gain relief from 85% Voting Approval Requirement.
2. Allocate Admin to each Department /Amenity & determine a way forward for determined and undetermined amounts of time with funds available and declining dues.
3. Allocate Admin to each Department and establish a cafeteria plan combining partial dues from phases which are still under covenant control, voluntary dues from phases no longer

covenant controlled but homeowners still wishing to remain members, and the fees from the chosen amenities packages.

4. Allocate Admin to each Department, consider dues from the remaining members and determine which amenities can be self-supporting and which amenities must be closed or turned over to the city.
5. Turn over all of the amenities to the city for a Parks and Recreation District. This plan is dubious since the Purcell Corporation retains right of first refusal on the amenities. This plan requires agreement between the POA, the City, and the Purcell Corporation on the turnover of amenities at no or minimal funds changing hands.

New Business:

1. **Amend Agenda** – President Marthouse made a motion to amend the agenda as printed to delete #2 – Ethics Policy and replace it with a motion relative to the VCC committee. Motion was seconded by Director Ertel and passed unanimously.
2. **Diamondhead Community Collaborative** – Treasurer Hatchett moved that the Diamondhead Community Collaborative be established; that the Diamondhead Community Collaborative operate consistent with the Charter Attached hereto as Exhibit B; that the Board of Directors delegate selection of the Diamondhead Community Collaborative members to the President; that the Board of Directors authorize the President to formally request to the City of Diamondhead that two members from the City Council to be members of the Diamondhead Community Collaborative and that the Diamondhead Community Collaborative exist until dissolved by the Board of Directors. Motion was seconded by Director Becker and was approved unanimously.
3. **VCC** – A motion to replace Director Becker on the VCC Committee with Secretary Rice was made by President Marthouse and seconded by Treasurer Hatchett. Motion passed unanimously.
4. **Airport/Marina Committee** – President Marthouse made a motion to replace VP Harvey on the Airport/Marina Committee with Director Tullier. Motion was seconded by Secretary Rice and passed unanimously.
5. **Next Regular Meeting of the Board** – April 15, 2019
6. **Executive Session** - The Executive Session was held at 6:00 PM prior to the evening's meeting to discuss privileged legal and human resource matters. The Executive Session ended at 6:38pm.

Member Forum – Various issues were addressed by members.

Adjournment – A motion to adjourn the meeting was made by Director Ertel and seconded by Treasurer Hatchett. The motion passed unanimously. The meeting was adjourned at 8:18pm.

Respectfully submitted,

/s/ *Karen H Rice*

Karen H Rice

Secretary

Approved by action of the Board on April 11, 2019.

