

## May 18 President's Report

Through April and May the DHPOA Board held weekly meetings to continue our work on a plan to manage the amenities for the future with a goal to hopefully reduce or eliminate dues.

The amended Resolution from which we are working listed four options for management of the amenities; 1. Continue ownership and operation of some or all of the amenities by the DHPOA, 2. Market and sell all the amenities to a single purchaser, 3. Market and separately sell some or all of the amenities to multiple purchasers, and 4. Donate the amenities to the City of Diamondhead.

Based on the financial problems resulting from reduced income from dues and the fact that we have not yet been received from the company that evaluates golf courses and related amenities for potential sale (our 2<sup>nd</sup> option), we have proceeded with marketing and separately selling some of the amenities to multiple purchasers. As a result, there may soon be new owners of the Marina and restaurant and the RV storage. A contract for the sale of Tennis is being finalized.

The offers for purchase of the Marina and restaurant and the RV storage were provided to the Purcell Corporation representatives as they have the right of first refusal. They had 15 days to review the offers and determine if they wish to match the offers and make the purchase themselves. The Purcell Corporation waived its right to match the offer on the RV storage property, and the potential new owner has begun its due diligence as of mid-May. The deadline for the Purcell Corporation to match the offer on the Marina and restaurant expired in late May, and the potential new owner has begun its due diligence. If the Board and the party interested in the purchase of Tennis agree to a contract, it will be presented to the Purcell Corporation to consider its right of first refusal, and they will have to decide whether to match the purchase price by mid-June.

As mentioned earlier, the Board is awaiting an evaluation of the golf courses, Club and pools from an outside firm experienced in helping golf courses find the best owner. While awaiting that information, we have decided to proceed with exploring the financial viability of implementing the option to continue the DHPOA's ownership and operation of the remaining amenities (our 1<sup>st</sup> option). The Board has tasked the GM and business consultant with providing financial options for consideration. When we consider the options they present, we are committed to the goal of preserving Diamondhead's wonderful recreational nature.

As was begun in April, the GM and staff are collecting information about the trial pool memberships offered to those citizens who are not paying POA dues this year. The response has increased as the weather has gotten warmer but is still low. There are also some people who have chosen to pay their annual dues recently which has been appreciated. They will continue to gather data reflecting interest in the pool pass option through late summer to better understand the community's interest in having pools.

Regarding the date of the annual meeting, the Board has had brief discussions but want to ensure we have something concrete to hand over to a new Board before we finalize that date. We need to ensure we follow any Bylaws requirements regarding membership notifications before an exact date is set.

Determining a solid plan for the future of the amenities continues to challenge us. This Board continues to be open to all the suggestions, concerns and thoughts that so many of you are willing to share. Thank you for taking the time to tell us your thoughts and keep them coming! Please be assured the Board is trying to maintain Diamondhead as the recreational, green-space gem that it is.

The Board and I thank you for the opportunity to serve this organization.

Nancy Sislow/Board President