

Board President's Report

March 16, 2026

Since the first of the year, the Board has been working on a plan to manage the amenities for the future with a goal to hopefully reduce or eliminate dues. Carrying out a big change in the income supporting the amenities may take more time than we would like but ensuring the recreational amenities remain in Diamondhead is the priority. The plan we are working on is based on past surveys that indicate three areas as the most important to those completing the survey. We are attempting to structure the three amenities (the golf courses, Club House, and pools) in such a way that they are supported by voluntary memberships that cover the cost to operate and maintain them. We hope to have some trial data by late summer and to be able to provide a firm plan by year-end so that the entire community is aware of the options to pay for use. We are meeting weekly and consulting our resources to try to set this plan in motion.

As you may be aware, the unsettled nature of the current POA has led some households to stop paying their dues through monthly payments which has led to income that is less than budgeted. The Board met on March 2nd and 9th to work with the General Manager to manage changes needed to keep the amenities financially supported. We continued our review of the potential sales of the Tennis Club and of the valuation provided for the RV storage and Marina. We authorized expense reductions as suggested by the GM and business consultant. These actions have helped support the amenities into the fall.

Challenging times continue. We are trying to balance the budget of the organization, ensuring the POA ends 2026 with a positive balance, while we plan for 2027. We cannot make change immediately as we have collected dues for 2026 and must continue to maintain the amenities as demanded by the POA charter. It is hoped that members will continue to support the

current POA amenities despite the unsettling nature of change. We anticipate that the future will operate differently but imagine the future Diamondhead to continue to have all its recreational amenities, if we develop a reasonable plan.

Thank you for the opportunity to serve the POA.

Nancy Sislow