

Board President's Report

October 20, 2025

Over the past month, there have been several actions to move the POA toward the vision. Since the motion to offer selected amenities for sale at the last meeting was not supported, a Special Meeting was held September 29th. At that meeting, it was decided to seek membership input into the transfer of the amenities to the City. That non-binding survey was completed on October 15th in time to be used tonight to guide the next step in divesting the POA of properties it can no longer support. As you may recall the Board has a mandate from the initial Take-over Agreement to maintain the amenities and related properties as they were given to the property owners. That is very difficult to do with limited funds. Since the Purcell group has the right of first refusal for any sale we consider, and there are many legal details to be determined if transfer is approved, legal counsel will be needed to assure the correct steps are taken. Action on the transfer of amenities and use of legal counsel is on the agenda tonight.

Also, after the September meeting, an Executive session was held to discuss the organization's financial status. At that time, the Board approved raising the dues to keep the organization solvent while the future of the organization is developed. The dues increase was announced early in hopes that we would better determine the financial landscape for 2026. Thank you to those dedicated members who have paid their dues early. There have been concerns expressed about the increase, but the mandate to maintain what amenities we have and the continued reduction of payments by property owners whose covenants have expired, have led us to this decision. The remainder of the budget will be approved soon, but seeing who will pay dues will help us plan the most balanced budget we can in these tough times. We are also facing

increasing costs to provide service and pay insurances, just as you all are. We will find a way through this!

There are many challenges to meet to develop fully what 2026 will look like. We are truly doing the best we can to face these challenges. In the end, we all want our wonderful Diamondhead to remain.

Thank you for the opportunity to serve the Diamondhead Property Owners Association and its great amenities.

Nancy Sislow