

Board President's Report

December 15, 2025

After the November meeting, we sadly received the resignation of Bill Blackwood as Treasurer. Bill served on the Board for almost 6 years, first as a Director, and recently as the Treasurer. His resignation revealed that he found the demands of the role and recent changes in the financial situation to be so draining as to threaten his retirement and health. As a Board of volunteers, we all understand perfectly what he felt. Bill served on the Board with integrity and intensity, constantly working to always give the POA his best. Please be sure to thank Bill when you see him.

Because the remaining term of Treasurer is only 6 months, the board was able to interview several excellent candidates for appointment to the vacant position. We selected Brice Howard and his appointment will be formally approved at the meeting tonight. Please welcome Brice and offer your support as we tackle the tough decisions of the coming year.

Since the Memorandum of Understanding which defined the transfer to the City of the athletic fields at Noma Drive, playgrounds and ballfields at East Rec, the Twin Lakes recreation area, stormwater drainage lots, the Community Center and its adjacent parking, the public works maintenance yard and the Airstrip with all related facilities and land, was signed, work has progressed on the final documents needed to complete the transfer. It is anticipated all conditions which included parking at the amenities, properties remaining available to the public, maintaining the use for the same or similar purpose at the same standard as currently operated, leasing portions of the public works yard for a nominal fee, and assisting with legal fees, will be finalized in writing by the end of the year.

The 2026 budget approved at the November Board meeting is a lean and challenging budget that we will have to monitor and manage carefully. In past years, boards were able to rest on the knowledge of mandated dues income. With the expiration of mandatory covenants, that has not been possible. We are having to look at our finances in a different way. Because income is of critical importance and payment of dues has been running behind projections, a Special Meeting of the Board was held on December 11, 2025, to review the status as of that date. Rick Goldstein, General Manager, wanted the Board to be fully aware of the situation. No formal action was taken, but the Board will be watching to see what changes may need to be made to maintain the remaining amenities while we work to find the best plan for the future. A motion at tonight's meeting is intended to allow the GM to explore valuation of amenities should the need arise to offer them for sale. Tough decisions may soon have to be made.

In a past session the Board approved legal counsel to develop and propose a plan for the organization's future by the end of the year. We expect to review that plan in early 2026.

Your support and understanding will help us prevail so our goal of a wonderful Diamondhead can be achieved.

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

Nancy Sislow