



BALD HEAD ASSOCIATION 2025 ANNUAL MEETING

Saturday, January 25, 2025 – 9:00 AM

Meeting held via Zoom Webinar

Board Members Present:

Christine Osborne, President

Elizabeth Robinson, Vice President & Assistant Secretary/Treasurer

Paul Carey, Secretary/Treasurer

Joe Brawner, Board Member

John Kinney, Board Member

Steve Smalley, Board Member

CALL TO ORDER: President Christine Osborne welcomed the members and thanked everyone for attending the Annual Meeting via Zoom Webinar. Christine introduced the Board members who were present and relayed information about each of the staff members and their respective responsibilities.

PROOF OF QUORUM: Secretary/Treasurer Paul Carey announced that 150 members or proxies would constitute a quorum (Per Article III, Section IV of the Bylaws: “Section 4. Quorum. At the annual meetings and all special meetings, the presence of 150 members entitled to cast, or of proxies entitled to cast votes, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws.”) and that 541 proxies had been received by the deadline, representing 1,196 votes which more than satisfied the requirement and constituted 45% of the membership.

APPROVAL OF MINUTES: Christine Osborne made a motion to approve the 2024 Annual Meeting minutes, which had been posted on the website for review prior to the meeting.

Motion by: Christine Osborne Seconded by: Elizabeth Robinson carried unanimously.

RECOGNITION OF NOMINATING COMMITTEE:

Steve Smalley recognized the work of the Nominating Committee for its successful efforts. This year’s committee consisted of Anne Berry, Jason Campbell, Rhonda McNairy, Rick Nelson, and Matt Scibienski.

INTRODUCTION OF CANDIDATES: Steve Smalley introduced the candidates: William Bourne, Derek Crump, Victoria Lonker, Joel Michaels, and Tiffany Williams.

CALL FOR ELECTION: Christine Osborne offered a procedural reminder on the election process: The Annual Meeting packet was mailed to members in mid-December 2024 as required by the Bylaws. Online voting began on December 26th and was available through January 23rd. Christine noted that the Island had recently experienced unforeseen winter weather conditions. While only light flurries had been expected, the storm disrupted mail delivery for several days. Counsel was consulted regarding the potential loss of time for receiving proxy votes, and it was confirmed that the Board had discretion to extend the voting period by one day. However, the extension did not resolve the mail delays, and ballots had still not arrived on the Island. Despite these challenges, the Board determined that sufficient proxy votes had been received to proceed. While a small number of proxies may have

been delayed, the majority were accounted for, and the Board agreed that the election could continue. Members who had already submitted proxies to the BHA office or voted online were assured that their votes had been counted. Those wishing to change their vote were instructed to revoke their proxy and submit a new ballot. Instructions were provided for voting by email, online, or by requesting a paper ballot from the Association office. Members were advised to contact Diane at the Association office by phone or email for assistance with ballots or registration IDs. Christine asked if there were any questions or additional ballot requests. As ballots could not be distributed in person due to weather conditions, members were reminded to reach out to the office directly.

Christine then announced the election would close at 10am.

BHA ACCOMPLISHMENTS: Board members then provided an overview of the Association's 2024 accomplishments.

- Christine Osborne reported that BHA currently comprises 1,887 properties with 1,201 of those built upon and 686 vacant lots. Christine noted that 17 lots were converted to new homes in 2024. She listed the responsibilities with which BHA is charged as part of the organization's Articles of Incorporation: Administer and enforce architectural review guidelines; own and manage the Common Area; provide recreational services/facilities for members/communicate activities/decisions of interest to members; and promote the health, safety and welfare of members.
- John Kinney reported that architectural oversight remains one of BHA's core responsibilities. Christine noted that over 459 applications were received, with 364 processed and reviewed, and that approximately 75% of applications were approved. Staff and the ARC Committee also managed numerous paint color submissions and tree trimming/removal requests. BHA continues to provide ARC services for both the Harbour Association and Middle Island Property Owners' Association under contract.
- ARCB Chair Terry Steelman summarized key 2024 ARC guideline clarifications regarding undisturbed lot areas, setbacks, construction practices, and house size requirements. These refinements were developed collaboratively with architects, builders, and the Board and were unanimously approved.
- Elizabeth Robinson outlined BHA's broad responsibilities, including management of its Common Areas, oversight of the three communities of Keeper's Landing, Surfman's Walk, and Sumner's Crescent, six additional neighborhoods (Braemar, Cedar Court, Muscadine Grove, Loggerhead, Palm Court, and Palmetto Cove), and nine alleys on the Island's East End. She emphasized BHA's role beyond ARCB in maintaining neighborhoods and common spaces, overseeing facilities such as the Association Center (which hosted 300 events and was recently renovated after flood damage), leasing property for community uses, enhancing communications through the Island Report, Compass, and a redesigned website, and supporting the Education & Recreation Committee, which continues to provide year-round activities under the 2025 theme "Building Community."
- Steve Smalley reported that 45 covenant violations were recorded in 2024, primarily construction without ARC approval. He emphasized that the focus is on remediation rather than fines, and that staff work cooperatively with homeowners to maintain standards.
- Paul Carey, Chair of the Finance Committee, reported that 2024 was a transitional year with new leadership and staff collaboration to rebuild the budget process; the committee implemented a cost allocation model for drip line communities, maintained the five-year reserve funding plan established in 2020, and approved a 2025 budget reflecting a 4% increase (about \$23 per property), supported by \$2.9 million in liquid assets including \$800,000 in reserves, with a new reserve study planned to ensure continued financial stability.
- John Kinney reported that under the leadership of Barbara and Dale Giera, the Resource Conservation and Beautification Committee organized two islandwide litter sweeps, continued the Operation Reforest program for the sixth year (resulting in the planting of 16 live oaks, 16 yaupon hollies, and 31 wax myrtles), and contributed to the

completion of the pollinator garden; he thanked Jim Nichols, Kim Bandera, Pam Rainey, and community partners for their support in these conservation and beautification efforts.

- Steve Smalley reported on behalf of the Long Range Planning Committee, thanking outgoing Chair Greg Wendling and members for their service; he noted the committee's primary 2024 task was evaluating BHA's role in the proposed ferry schedule changes, leading to the Association's successful motion for intervenor status before the NC Utilities Commission. Working collaboratively with other Island entities and Bald Head Limited, the committee helped negotiate a compromise schedule based on ridership data, with provisions for ongoing review and oversight, reflecting strong cooperation and ensuring balanced outcomes for property owners.

- Christine outlined BHA's goals for the coming year, including strengthening cooperation with Island constituents, improving ARC processes and education for residents and builders, cultivating relationships with Island businesses, developing orientation programs for new owners, supporting board and staff development, maintaining financial stability with a renewed reserve study and potential fiscal year change in 2026, considering lagoon conveyance and management plans, continuing Community-Wide Standards evaluations, and engaging the next generation of leadership. She emphasized the importance of volunteers, over 70 currently support BHA, and encouraged members to join committees or apply online, noting that participation is welcome even for non-residents.

ORGANIZATIONAL REPORTS: Various on-Island organizations were invited to speak about their challenges and successes during the previous year. Speakers were given 5-10 minutes each to present their respective reports. Speakers included:

- Peter Quinn, Mayor, Village of BHI
- Chad Paul, CEO & Bion Stewart, COO, BHI Limited
- Cam McIntyre, President, Public Service Auxiliary (PSA)
- Gayle Sanders, Project Longevity
- Travis Gilbert, Director of Philanthropy, Old Baldy Foundation
- Chris Shank, Executive Director, BHI Conservancy/SILT
- David Sawyer, CEO, BHI and Shoals Clubs

QUESTIONS/MEMBER COMMENTS Members were given an opportunity to ask questions of all presenters. There were no questions from the membership.

ELECTION RESULTS: Christine Osborne announced and welcomed Derek Crump and Victoria Lonker to the Board.

BOARD MEMBER AND STAFF RECOGNITION:

Christine Osborne thanked William Bourne, Joel Michaels, and Tiffany Williams for their candidacies and commitment to the Island. She recognized former Executive Director Carrie Moffett for 14½ years of dedicated service, honored with an "honor tree," and expressed gratitude to Interim Executive Director Russ Curtis for his invaluable leadership during challenging weather events. Christine also paid tribute to outgoing board members Joe Brawner and John Kinney, both receiving honor trees in recognition of their years of service and contributions to BHA.

RECOGNITION OF DEPARTING BOARD MEMBER:

On behalf of the Board, Christine Osborne thanked Joe Brawner and John Kinney for their service to BHA and revealed that they will both be receiving honor trees in recognition of their years of service and contributions to BHA.

EXECUTIVE DIRECTOR ANNOUNCEMENT:

Christine Osborne announced that Douglas Jones has accepted the position of Executive Director of the Association, bringing extensive experience from managing large-scale communities such as Sun City Hilton Head and Palmetto Bluff Resort. He will officially begin around March 3, 2025. Christine expressed excitement about his talent and leadership, thanked the search committee for their dedication, and recognized Interim Executive Director Russ Curtis for his significant contributions during the transition. She concluded by encouraging members to welcome Douglas upon his arrival and thanked everyone for their support during this important period.

RECOGNITION OF THE 2025 BHA BOARD OF DIRECTORS:

- Christine Osborne
- Elizabeth Robinson
- Paul Carey
- Steve Smalley
- Victoria Lonker
- Derek Crump

ADJOURNMENT:

Motion by: Paul Carey Seconded by: John Kinney Motion carried unanimously.