

**Bald Head Association Board of Directors Meeting**  
**Public Session Minutes**

Friday, November 12, 2021 – 11:00 am  
BHA Association Center – Generator Society Hall  
Meeting held in person and electronically via Zoom Webinar.

**Board members present:** Alan Briggs, Robert Drumheller, John Fisher, John Kinney, Jennifer Lucas  
(partial – joined during discussion of V.e.,) Tiffany Williams

**Staff present:** Carrie Moffett, Carol Collins, Pam Henson, Denise Eidal

**I. Call to Order** - President Alan Briggs called the meeting to order at 11:05 am.

**II. Approval of Agenda** – Members were provided the agenda prior to the meeting.

**Motion:** Agenda is approved.  
**Made by:** Tiffany Williams  
**Second:** John Fisher  
**Action:** Approved 5-0

**III. Minutes** from October 8, 2021, meeting.

**Motion:** October 8, 2021, minutes are approved.  
**Made by:** Robert Drumheller  
**Second:** John Kinney  
**Action:** Approved 5-0

**IV. Committee Reports**

**a. SER Committee** – Betsi Stephen joined the meeting remotely and reported that the SER committee has started organizing a few activities would like to resume the Potluck Suppers and host the Smith Island Social in January.

**Motion:** The Smith Island Social is approved to be held at the Club on January 29, 2022, with attendees showing a vaccination card.  
**Made by:** Robert Drumheller  
**Second:** Tiffany Williams  
**Action:** Approved 5-0

**Motion:** Social dinners where participants bring their own picnic meal and show a vaccination card will resume.  
**Made by:** Robert Drumheller  
**Second:** John Kinney  
**Action:** Approved 5-0

Note: The SER requested that the Board remove the requirement for proof of vaccination status. The Board voted via email to remove the requirement. See attached.

**V. Priority Updates**

**a. Wildlife Overlook Committee** – John Fisher updated the Board. Giera has committed to adding the extra posts needed to prevent the public from going to the water's edge. Duke Energy's \$20,000 grant will go through the Conservancy. Still waiting on the

- historical plaque and Duke Energy to remove their equipment.
- b. **Transparency** – Tiffany Williams reported that the “Breakfast with BHA” was positive.
  - c. **BHA Space** –Carrie Moffett reported that John Farabow, an architect and property owner has been engaged to explore the possible solutions on the current property, keeping the Battery 4 area preserved as much as possible.
  - d. **ARC** -John Kinney reported that the chairs for 2022 will be Dave Pacyna for Section A and Terry Steelman for Section B. John Farabow will serve as Architectural Consultant for Section A with Mark Saulnier continuing with Section B. Some committee members will be shifted between sections A and B.

Other discussion of Design Guidelines changes in particular that the maximum house size allowed on merged lots be the largest home allowed on either of the individual lots before merger. This will be discussed in both ARC sections. A comment was made to compare BHA Design Guidelines to that of other HOAs.

e. **CWS** –

**Motion:** John Kinney will serve as Board liaison for the remainder of 2021.

**Made by:** Alan Briggs

**Second:** Robert Drumheller

**Action:** Approved 6-0

- f. **Staff** –Carrie Moffett asked that the Board consider a salary and benefits study for staff and announced that Kelsey Callahan is leaving.

VI. **October 2021 Financials** –Denise Eidal presented the October Balance Sheet, Income Statement, Expenses Statement and Reserve expenses.

**Motion:** Borrow \$145,000 from Reserves to reimburse the Operating Expenses (for the Wildlife Overlook costs) which will be paid back in 2022 and 2023 by the Special Assessment.

**Made by:** Tiffany Williams

**Second:** John Kinney

**Action:** Approved 6-0

**Motion:** Authorize an expenditure of \$2850.00 from the reserves for the Boat Yard for fence repair by We Show Up and the expenditures of \$2733.00 for Microphones and \$788.54 for window glass repair from the reserves for the Association Center.

**Made by:** Robert Drumheller

**Second:** Tiffany Williams

**Action:** Approved 6-0

**Motion:** Authorize the (non-budgeted) expenditure of \$7298.47 for Audio/visual equipment for the Association Center

**Made by:** John Kinney

**Second:** Robert Drumheller

**Action:** Approved 6-0

**VII. Executive Director Report** – Carrie Moffett had several items to address.

- a. **Boat Yard** - BHA is working with the Village in regard to moving the Boat Yard.
- b. **Other** – Meetings are being planned with Real Estate Professionals. Staff reviews are being finalized. The Directory is in process of being finished. Pam is continuing work to replace vegetation at Sumner’s Crescent.

**Old Business**

**VIII. 2022 ARC Review Fees** – Fran Pagliaro reported that the ARC members voted 10-3 (with 1 abstention) to increase the fees for 2022. Also noted that Paint Submittals have returned to the full ARC sections instead of the Paint/Color sub-committee. Some discussion regarding simplifying the Design Guidelines before raising fees.

**Motion:** Approve the ARC fee increases as presented.

**Made by:** John Kinney

**Second:** Robert Drumheller

**Action:** Approved 4-2

**IX. 2022 Design Guideline Changes** – Deferred to December. Changes will be emailed to Board members.

**X. Reserves Policy** – As per the Reserves study, BHA’s reserves are not fully funded. Two options were presented.

- a. 4-year plan – funded at 25%, 52.5% and 70%
- b. 5-year plan – funded at 25%, 35%, 58% and **70%**

**Motion:** Approve the 5-year plan for funding the Reserve accounts.

**Made by:** Robert Drumheller

**Second:** John Kinney

**Action:** Approved 6-0

**XI. 2022 Budget** – Denise Eidal and Robert Drumheller presented the 2022 budget for approval. The following were noted.

- a. Muscadine Grove paving was \$52,000 which was \$7159.63 over the amount in Muscadine Grove Reserve account. BHA will front the shortfall to be reimbursed in 2022 and 2023.

**Motion:** Authorize the \$44,840.37 expenditure from reserves.

**Made by:** Robert Drumheller

**Second:** John Fisher

**Action:** Approved 6-0

**Motion:** Approve \$7159.63 expenditure to be reimbursed with assessments in 2022 and 2023.

**Made by:** Robert Drumheller

**Second:** John Fisher

**Action:** Approved 6-0

- b. Surfman’s Walk and Sumner’s Crescent each have a surplus in their operating expenses.
  - Motion:** Authorize moving \$2200.00 from Surfman’s Walk’s surplus to their Reserves.
  - Made by:** Tiffany Williams
  - Second:** Robert Drumheller
  - Action:** Approved 6-0
  - Motion:** Authorize moving \$1600.00 from Sumner’s Crescent surplus to their Reserves.
  - Made by:** Robert Drumheller
  - Second:** John Fisher
  - Action:** Approved 6-0
- c. Braemar has a deficit of \$66.51 in their operating budget.
  - Motion:** Authorize moving \$66.51 from the reserve account to the operating budget.
  - Made by:** Robert Drumheller
  - Second:** Alan Briggs
  - Action:** Approved 6-0

The following items were discussed with approval included in the approval of the budget in whole.

- d. Increase annual assessment by 10% and increase of ARC fees.
- e. \$82,000 will be used from the operating surplus to balance the budget.
- f. Land to unimproved lots is 1:3, with 37 homes under construction.
- g. Payroll and reserves are the largest increases.
- h. Reserve levels for Keeper’s Landing, Sumner’s Crescent and Surfman’s Walk were at 100% - now at 70%. (Palmetto Cove and Keeper’s Landing docks need greater than 70% due to docks and the amount will be researched.)
- i. Alleys are all fully funded and have surplus. Only one ally has all signatures needed to be turned over to the Village.

- Motion:** Approve the budget in whole.

- Made by:** Robert Drumheller

- Second:** John Kinney

- Action:** Approved 6-0

- XII. **2021 Financials Auditor Engagement Letter** – Robert Drumheller shared the engagement letter from Earney and Company requesting 50% of fee upfront and 50% upon completion.

- Motion:** Approval of agreement and payment.

- Made by:** Robert Drumheller

- Second:** John Fisher

- Action:** Approved 6-0

**New Business**

**XIII. Proxy for 2022 Annual Meeting** – The proxy will be lengthy because of covenant changes. This will be emailed to the board.

**XIV. No Member Comments**

**XV. Adjournment**

**Motion:** Motion to adjourn.

**Made by:** Tiffany Williams

**Second:** Robert Drumheller

**Action:** Approved 6-0