

*The Village at Nags Head Property Owners Association
Annual Meeting
November 8, 2008*

The Village at Nags Head Property Owners Association held their Annual Meeting on November 8, 2008 at the Village Beach Club. There were fifty two properties represented in person and 54 properties represented by proxy. The Board members present were Todd Farrand, Harry Nash, Janice Black, Gary Ferguson, Gail MacDonald and Sally Berra. Dorie Fuller, Emily Lewis, Leslie Sanders, Ansley Miller and Courtney Fowler were representing Village Realty. Mr. Farrand established a quorum and called the meeting to order.

The Annual Meeting minutes from 2007 were reviewed. The members dispensed with the reading of the minutes and on a motion by Olivia Michener and a second by John Juzwiak, the minutes were approved as submitted.

Mr. Farrand presented the President's report on Al Byrum's behalf. Mr. Farrand thanked the Board for all their hard work this year. He reported there were thankfully no major storms this year and that the Board had accomplished a lot. The entrance lighting projects were completed, the Seaside and Seaside South walkways were repaired, the North Sound Access Gazebo Project will begin during the winter and plans were developed for the future East Baymeadow entrance project. Mr. Nash informed the owners that the Association had built up quite a big reserve contribution this year even though the expenses had gone up. The insurance was bid out last year which saved the Association money. Mr. Nash explained that the Board does not bid out insurance every year. One owner thanked the Board for the improvements at the South Sound Access. Mr. Farrand informed the Association that the Board was looking into better stabilizing that area as well with the use of rip rap or sand.

Mr. Farrand thanked Mr. Byrum and Mr. Nash for all their years of service. They both are leaving the Board this year after serving nine years. The remaining Board Members stated that they would be missed.

Mr. Farrand updated the Association on the Carolina Water Service sewer moratorium. He encouraged those who had not signed the petition, that will accompany letters to the North Carolina Utilities Commission and Division of Water Quality, to do so. He informed the owners that The Village at Nags Head may not be affected due to most people having already paid their sewer tap fees. Ms. Bradlee informed the owners that undeveloped lots that already paid tap fees are exempted and addition requests would need permission from Carolina Water Service and the Town of Nags Head.

One owner asked the Board if there were roofing options available other than cedar shakes. Ms. Bradlee explained that the Architectural Control Committee had reviewed and researched artificial cedar shake options but at this time did not feel any were adequate. The ACC currently only allows natural cedar shakes. Mr. Farrand noted that the Board is looking into cedar shakes versus pressure treated shakes but currently the

Town of Nags Head does not allow pressure treated because they are not fire treated. Mr. Ferguson noted that natural cedar shakes are a central aesthetic feature of The Village and are the defining characteristic of the community. An owner still had some questions and Mr. Farrand offered to speak with him further after the meeting.

Mr. Farrand gave the Nominating Committee Report. There were three seats up for election this year. Ms. MacDonald's seat was up for re-election due to her fulfilling Carolyn McCormick's unexpired term beginning in January of 2008. The other two nominees were Meade Gwinn and William Riddick. On a motion by Ms. Berra and a second by Ms. Michener, the slate was closed and the nominees accepted. Mr. Farrand congratulated the three new Board members.

Mr. Fuller gave the Landscape Committee report. He introduced the members as Brenda Holloway, Eddie Reid, Al Byrum, Elsie Katz, Warren Mathias and Jean Schmidt. He explained that due to the maturity of the landscaping, the main task of the Committee was maintenance. The landscaping at the North and South Sound Accesses continues to be a problem due to the exposed area and harsh environment. He explained the intention of the South Sound Access launch area was never for motorized vessels but for the use of kayaks, catamarans and sailboats.

Mr. Fuller described the future projects that the Landscape Committee is working on which include replacing the railroad ties at the South Sound Access, establishing plantings in the area that experiences constant erosion at the North Sound Access, the enhancement plan for the East Baymeadow entrance and redoing the island between hole number five and seven. The Landscape Committee has tried to spend less money for the past few years, but did undertake a major project in the installation of the new lights at the main entrance in 2008. He also noted that the Committee is working on negotiating another three year contract with the landscaper to begin in 2010. An Oceanwatch owner thanked the Committee for looking into the East Baymeadow entrance project. Mr. Fuller reminded all the owners that the Landscape Committee consists of volunteers and encouraged anyone who was interested to sign up.

Ms. Bradlee gave the Architectural Control Committee report. She introduced the members as Olivia Michener, Todd Farrand, Tommy Berra, Al Byrum, John Juzwiak, Suzanne Stillman, Catharine Freda and Bruce Bortz and thanked the Committee for all of their hard work. She noted that the Committee reviewed over 75 applications this year and held their meetings on the fourth Monday of every month. She explained the process that the Committee takes when reviewing applications and encouraged owners who live in neighborhoods with neighborhood associations to have their Board review the applications before submitting to the VNH ACC. Mr. Farrand thanked Ms. Bradlee for all her hard work.

Mr. Nash gave the financial report. He noted that the Association is in good financial shape and that there is no dues increase for 2009. The replacement reserve contribution will be good for the year due to the Association not experiencing any major unforeseen expenses. The North Sound Access project will be paid out of the 2008 budget. An

owner asked if he was able to see any of the various contracts the Association has with vendors. Mr. Nash said that all owners are welcome to see contracts, financial statements, meeting minutes, etc. Mr. Nash also explained that the Accounts Receivable is unusually high, but the Association is working with an attorney on their options regarding the delinquent owners. There were no further questions, concerns or objections to the report.

The Board addressed questions from the owners. One owner questioned how certain vendors are chosen for jobs. Mr. Farrand explained the projects are bid competitively and with usually a minimum of three bids. One owner mentioned that there are holes and erosion along the street where the mailboxes are located. Another owner reminded everyone to please, clean up after their pets. They felt the issue had worsened and asked if more signs could be placed throughout the community. Mr. Nash suggested the new Board discuss that topic at their January Board meeting.

Mr. Nash thanked the Board and Association for letting him serve the community for nine years. Ms. Black led the owners in a round of applause for Mr. Nash's dedication to the community. Mr. Farrand reminded the owners of the wine and cheese party later in the night and encouraged all to attend.

With there being no further business, the meeting was adjourned.

Respectfully Submitted,

Courtney Fowler
Assistant Property Manager