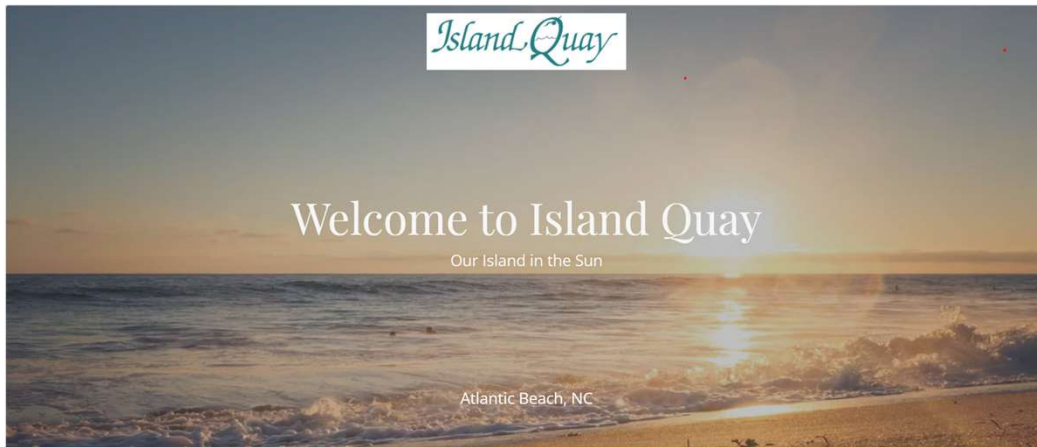
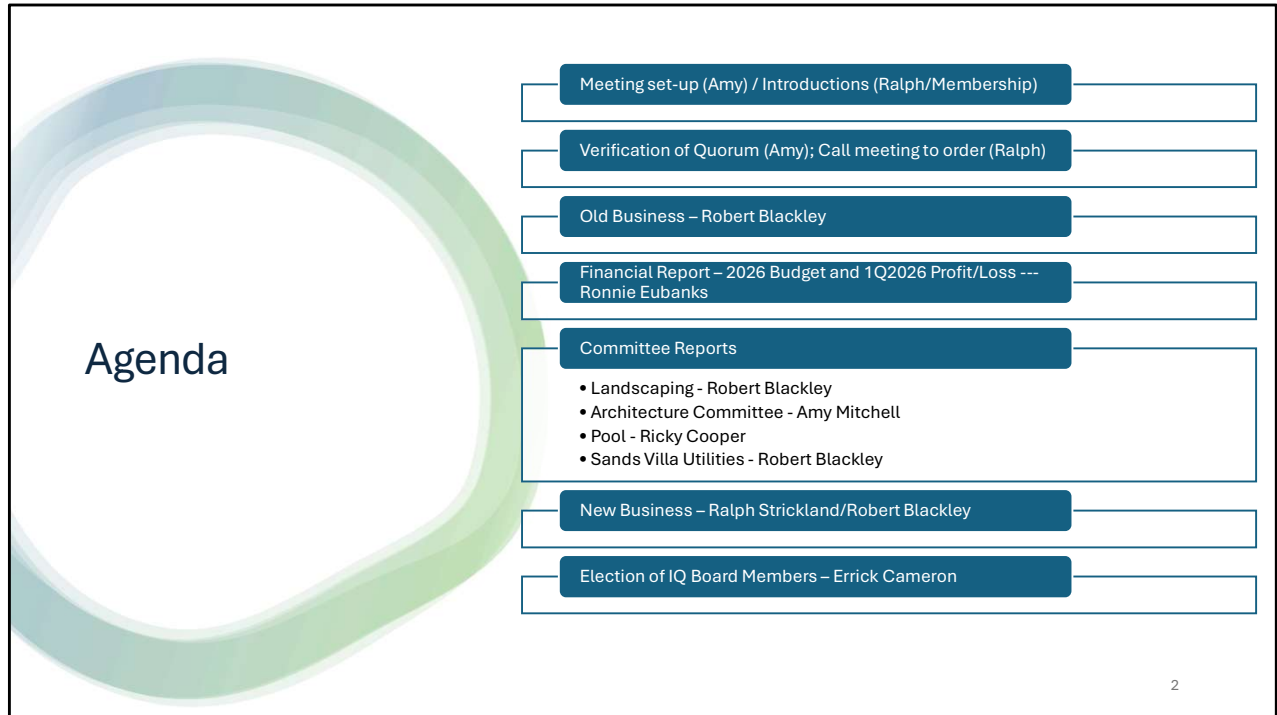




2026 Island Quay HOA Member Annual Meeting



Ralph opened the meeting with a reminder that the IQ Board consists of IQ homeowner volunteers. This was shared to remind all residents that the Board members are fellow neighbors and not employed by IQ to manage its business fulltime. He also shared that to have the HOA conducted by a professional management company would likely increase dues by \$1500 for each resident each year.

Old Business

1. IQ Landscape Project – Robert Blackley

- Walk project completed
- Project received \$5550 in donations from IQ residents
- Donations covered half of project
- 2025 overage covered remaining balance of \$6650
- Lights along sidewalk are in storage; will be reinstalled in 2026 by IQ residents



2. Revision to IQ Covenants regarding impervious surface requirements – Robert Blackley

- Legal counsel advised the impervious surface requirements in IQ covenants were based on the NC State Permit for the subdivision and should not be removed to defer to the town
- Board approved a new standard for architectural requests – owner is responsible to submit an engineer's certification that IQ impervious surface requirements per NC standards are met

3

1. Robert confirmed that the landscape project for the concrete sidewalk on IQ Court leading to the SV boardwalk was completed and costs were more than expected but were covered by donations and the 2025 financial overage. He also thanked Charles and Pam Mullen for their donation of time, equipment, and materials for removing existing landscape and concrete and installing new concrete walk. He also thanked the adjacent homeowners (The Wolfs and The Gerhards) for their willingness to work with the Board to create the plan for this project.
2. The IQ Board engaged with legal counsel to pursue removal of the impervious surface requirements from the IQ Covenants and to defer to Atlantic Beach requirements. Legal counsel advised against removal as these requirements were part of the NC permit for the subdivision and to change these will require a new permit. Robert explained that the IQ Board did not revise the covenants; however, the Board did approve a new standard for architectural requests that will impact impervious surface. Going forward an engineer's certification is required to verify for the Architectural Committee that IQ impervious surface requirements are met per NC standards. The Board is not qualified to make these calculations or certify compliance; therefore, the engineer's certification will be used.

Financial Report

1Q26 P&L

Ronnie Eubanks

ISLAND QUAY HOA PROJECTED 2026

	Q1 2026		
	Budget	Actual	
INCOME			
Homeowner Dues	\$ 92,400	\$ 92,400	Note A
Interest Income	-	105	
INCOME Totals	<u>92,400</u>	<u>92,505</u>	
EXPENSE			
Office Supplies & Miscellaneous	(200)	(432)	
Postage	-	-	
Pool Maintenance	(1,264)	(1,264)	
Pool Phone	(167)	(200)	
Pool Supplies	-	-	
Pool Permit	(200)	(200)	
General Repairs	(200)	(176)	
Electricity	(2,184)	(2,184)	
Sewer	-	-	
Irrigation Water	-	-	
Landscape Maintenance	(9,160)	(9,160)	
Landscape Other	(3,000)	(16,775)	Note B
Irrigation Repairs	-	-	
Legal expenses	-	(2,063)	Note C
D&O Insurance	(900)	-	
P&C, Umbrella, and General Liability Insu	(2,500)	-	
Wind Insurance	(2,700)	-	
Internet Expense for Security Cameras	(283)	(429)	
EXPENSE Totals	<u>(22,758)</u>	<u>(32,883)</u>	
NET INCOME (LOSS)	<u>\$ 69,642</u>	<u>\$ 59,622</u>	

A - One 2026 HO dues paid in 2025; \$2,800

B - The overage was for concrete walkway and rock/bushes and hedge trimmings; donations received (all in '25) were \$5,550

C - Not budgeted; legal guidance on covenants, by-laws and other HOA matters

4

Ronnie highlighted that the IQ checking account is now receiving interest from the bank.

Ronnie reviewed the 1Q income/expenses with the following key points:

1. Sands Villa has not invoiced for 'Sewer' in 2026; therefore, this large expense has not yet impacted us
2. Landscape costs are the largest expenditure (sidewalk and berm trimming)
3. 2025 had a \$24000 overage (\$10000 was moved to the reserve account) and \$14000 was kept in the general account
4. Not all homeowner dues were received in 1Q --- after the meeting on 11 April, approximately 5 members have an outstanding balance – Ronnie sent a communication to them following the new IQ HOA Dues Policy

2026 Budget

Ronnie Eubanks

ISLAND QUAY HOA PROJECTED 2026

<u>INCOME</u>	<u>ANNUAL</u>		
	<u>BUDGET</u>	<u>PROJECTED</u>	
Homeowner Dues	\$ 140,000	\$ 137,200	Note A
Interest Income	-	105	
INCOME Totals	140,000	137,305	
EXPENSE			
Office Supplies & Miscellaneous	(1,200)	(1,432)	
Postage	(200)	(200)	
Pool Maintenance	(7,700)	(7,700)	
Pool Phone	(1,000)	(1,033)	
Pool Supplies	(3,000)	(3,000)	
Pool Permit	(200)	(200)	
General Repairs	(3,000)	(2,976)	
Electricity	(9,000)	(9,000)	
Sewer	(54,600)	(54,600)	
Irrigation Water	(500)	(500)	
Landscape Maintenance	(36,000)	(36,000)	
Landscape Other	(3,000)	(16,775)	Note B
Irrigation Repairs	(1,500)	(1,500)	
Legal expenses	-	(2,063)	Note C
D&O Insurance	(900)	(900)	
P&C, Umbrella, and General Liability Insu	(2,500)	(2,500)	
Wind Insurance	(2,700)	(2,700)	
Internet Expense for Security Cameras	(1,100)	(1,245)	
EXPENSE Totals	(128,100)	(144,324)	
NET INCOME (LOSS)	\$ 11,900	\$ (7,019)	Note D

A - One 2026 HO dues paid in 2025; \$2,800

B - The overage was for concrete walkway and rock/bushes and hedge trimmings; donations received (all in '25) were \$5,550

C - Not budgeted; legal guidance on covenants, by-laws and other HOA matters

D - Above is showing a \$7K shortfall for the 2026 year, however we started the year with \$14K carried over from 2025 due to walkway donation and advance dues

5

Ronnie indicated that the desire is to move \$10000 to reserve each year; however, based on current spending, that may not be possible for 2026.

IQ Policy on HOA Dues



Introduced an IQ Policy re
HOA Annual Dues in 2026



Policy was shared with IQ
HOA members via email on 9
Jan 2026



Payment for annual dues is
payable no later than the date of
the annual HOA member
meeting in April

Due Date for HOA Dues

HOA dues are payable no later than the date of the annual HOA member meeting in April. Members will receive a statement of dues no later than 15th January each year.

Late Payment Penalties

1. Late Fee: If dues are not paid by the annual HOA member meeting in April, a late fee of \$25 or 5% of the outstanding balance (whichever is greater) will be applied to the account.
2. Interest: In addition to the late fee, interest will accrue at a rate of 1.5% per month on any unpaid balance.

Notification of Late Payment

The association will send a written notice to members with overdue accounts within five (5) days after the annual HOA meeting, detailing the outstanding amount, late fees, and interest charges.

Policy was shared again in 12 April email. This will also be posted to the webpage.

Committee Reports

Landscaping - Robert Blackley

Architectural Committee - Amy Mitchell

Pool - Ricky Cooper

Sands Villa Utilities – Robert Blackley

Landscaping

Robert Blackley



- Landscape Vendor: Hyman's Landscape 252-241-0802
 - Services included:
 - Mow, trim, edge, blow clippings away weekly (June – Sept), bi-weekly (Oct, Nov, Apr, May)
 - Apply pre-emergent to lawns to control weeds (Spring & Fall)
 - Apply herbicides to lawns to kill weeds (Spring & Fall)
 - Services not included:
 - Trimming of individual owner's shrubs/trees
 - Fertilization of lawns/shrubs
 - Weed control in owner's landscape beds

We request that you contact Robert Blackley (919-418-0312), not the landscaper, with any questions/issues/concerns about IQ services.

The landscaper may be contacted to inquire about personal projects.

Agenda

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Robert confirmed there are no upcoming landscape projects for 2026.

Robert emphasized that residents contact him if there are any issues with the landscape company and their lawn services for the IQ community (mowing, weed control, employees). For personal projects, the landscaper may be contacted directly.

Architectural Committee – Changes for 2026

1. IQ Board is introducing a \$100 a day fine for non-compliance (violations per covenants and HOA standards) *Under the North Carolina Planned Community Act, the Board has statutory authority to impose reasonable fines for violations of the declaration, bylaws, and properly adopted rules, provided it follows the required notice and hearing procedures under § 47F-3-107.1.*
2. Requirement to provide certified documentation from engineer regarding compliance with IQ impervious surface requirements per NC standards and compliance with setbacks as applicable.
3. New Architectural Request Form (new requirements)

9

Amy/Ralph reviewed the changes introduced to help the Architectural Committee ensure consistency in the review and management of architectural requests.

Anyone in violation of IQ Architectural standards are subject to a \$100/day fine as described.

IQ Board voted to require residents to provide an engineer's certified documentation that IQ impervious surface requirements per NC standards are met with new construction or additions that change the built upon area of the existing structure.

Architectural form was updated to include the requirement for neighbor endorsement if you are changing the exterior color of your home. Form also highlights the need for engineer certification related to impervious surface requirements and compliance with setbacks.

Architectural Committee – New Form

Island Quay Homeowner Association Architectural Review Request (Exterior Changes)	
Important: Submit this form and receive approval before starting any exterior work (construction, painting, landscaping, lighting, awnings, shutters, satellite dishes, fences, or any other exterior change). Allow up to 30 days for review.	
Homeowner information	
Name	
Property address	
Phone	
Email	
Request type (check one): ☐ Painting ☐ Landscaping ☐ Lighting ☐ Fence ☐ Awning/Shutters ☐ Satellite dish ☐ Addition/New construction ☐ Other: _____	
Proposed change details	
Contractor / person performing the work	
Contractor information	
Name	
Company (if applicable)	
Phone	
Materials, colors, and timeline	
Project specifics	
Materials	
Colors / paint brand & code	
Lighting details (if applicable)	
Proposed start date	
Attachments	
• If permits are required for structural changes, attach copies. • Attach detailed plans/drawings, photos, or paint chips and written neighbor endorsement as needed for review. • For new construction or additions that change your footprint, please submit engineer's certification of compliance with IQ impervious surface requirements per NC standards and property setbacks.	
Attachments checklist (check all that apply): ☐ Detailed plans/drawings ☐ Photos ☐ Paint chips/colors ☐ Permits ☐ Engineer certification (if required) ☐ Other: _____	
Homeowner signature _____	Date _____
Board use only	
Board receipt signature _____ Date received _____	
Decisions: ☐ Approved ☐ Not approved ☐ Approved with conditions	
Conditions / notes _____	
Board decision signature _____ Decision date _____	
Please mail form to: Island Quay Homeowners' Association PO Box 2483 Atlantic Beach, NC 28512	
OR Please email form to: directors@islandquay.com	

Form was reviewed.

Updated form will be added to the IQ website.

Architectural Committee - Reminders

IQ Architectural Committee is the main enforcement arm of Island Quay HOA to insure the community standards. The committee works to maintain the aesthetic beauty of the neighborhood and value of same.

*Examples of items that require approval of the Architectural Committee **BEFORE** you start the work:*

1. **Painting** : If you change the present color of your house, doors, trim, railings, shutters you must submit an Architectural Request prior to starting. We also ask that you contact your adjacent neighbors to get their written endorsement of the new color (this should be attached to your Architectural Request form)
2. **Changes to landscaping, driveways, walkways** need Architectural Committee approval.
3. **Additions or footprint changes to existing home** need Architectural Committee approval. Additions/footprint changes must comply with impervious surface requirements and setbacks for your lot. Documentation must be provided to verify compliance with impervious surface requirements per NC standards and setback requirements.
4. **New construction** requires an Architectural Committee request with all house plans. Proof that all IQ setbacks and impervious surface requirements per NC standards for that lot are met and certified by an engineer (owner's cost).

If you start a project that requires approval from the Architectural Committee without obtaining Approval, then you will be fined up to a \$100.00 a day until you are no longer in violation. If not sure you need approval, please contact a board member before starting.

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Examples on slide were reviewed and discussed.

Architectural Requests

Amy Mitchell

Agenda

www.islandquay.com

Homeowner Submission to Architectural Committee

Architectural Committee Form (pdf)	Download
Architectural Committee Form (doc)	Download

1. When do I need to submit a request?

Form should be submitted 30 days before any work starts. Changes requiring a form are exterior to the home (e.g., construction, painting, landscaping, additional lighting, awnings, shutters, satellite dishes... - anything that is added to the outside or changes the exterior of your home in any way)

2. How do I submit a request?

Go to www.islandquay.com, access form and submit via mail or email directors@islandquay.com

3. How long does it take to receive a response for a submitted request?

Covenants allow 30 days for the Architectural Committee to respond.

Island Quay Homeowner Association Architectural Review Request (Exterior Changes)

Important: Submit this form and receive approval **before** starting any exterior work (construction, painting, landscaping, lighting, awnings, shutters, satellite dishes, fences, or any other exterior change). **Allow up to 30 days for review.**

Homeowner information	
Name	
Property address	
Phone	
Email	

Request type (check one): ☐ Painting ☐ Landscaping ☐ Lighting ☐ Fence ☐ Awnings/Shutters ☐ Satellite dish
☐ Addition/New construction ☐ Other: _____

Proposed change details

--

Contractor / person performing the work

Contractor information	
Name	
Company (if applicable)	
Phone	

Materials, colors, and timeline

Project specifics	
Materials	
Colors / paint brand & code	
Lighting details (if applicable)	
Proposed start date	

Attachments

- If permits are required for structural changes, attach copies.
- Attach detailed plans/drawings, photos, or paint chips and written neighbor endorsement as needed for review.
- For new construction or additions that change your footprint, please submit engineer's certification of compliance with IQ impervious surface requirements per NC standards and property setbacks.

Attachments checklist (check all that apply): ☐ Detailed plans/drawings ☐ Photos ☐ Paint chips/colors ☐ Permits ☐ Engineer certification (if required) ☐ Other: _____

Homeowner signature _____

Date _____

Residents were reminded about the IQ webpage and the location of the Architectural Request form.

Amy emphasized the importance of submitting the form BEFORE any work is started and highlighted that the Architectural Committee has up to 30 days to provide a decision per IQ covenants.

Fences in IQ was raised as a topic for the Board to address. The Board confirmed that fences are not allowed by the Architectural Committee and that the fence being questioned was not approved by the Committee and the homeowner was fined. Residents asked the rationale for not having the fence removed. The Board explained the background of an existing sand fence that legal counsel advises would be problematic if legal action was pursued at a cost of more than \$20K. The majority of residents present agreed that legal action to remove the fence was not a viable option to pursue. Residents also asked if the owner could camouflage the fence by painting it a color that blends with the dunes or planting vegetation to obscure view of the fence. These requests were shared with the homeowner after the meeting.

Pool

Ricky Cooper



1. Pool opens on Fri, 9 May (Mother's Day Weekend) and remains open until Monday after Seafood Festival in October
2. Pool bathrooms
 - Bathrooms will be maintained by Ricky for May and June
 - Need volunteers for July, August, and September --- Calendar sign-up
3. Each owner was given 2 pool gate keys. If you require another key, the cost is \$100/key. (the only exception is if a new owner was not given keys by the previous owner)

Agenda

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Ricky provided a status update on the pool in preparation for its opening on Fri, 9 May.

The biggest need for the pool in 2026 is volunteers to maintain the bathrooms. All supplies are available at the pool. We currently have coverage for May (Ricky Cooper), June (Ricky Cooper), and July (Karen Leggett and Donna Strickland). **We need volunteers for August, September, and one week in October.**

If you need another pool key, contact Ricky.

Ricky confirmed that the pool is open daylight hours only (no swimming after sunset)

Residents requested that we look into switching the pool to saltwater (possibly at the time of pool replaster). Ricky took the action to gather information.

Sands Villa Utilities

Robert Blackley

1. **Current IQ members on SV Utilities Board: Robert Blackley/Charles Mullen**
2. **No projects planned with sewer**
3. **Any costs incurred will be unplanned repairs**

[Agenda](#)

14

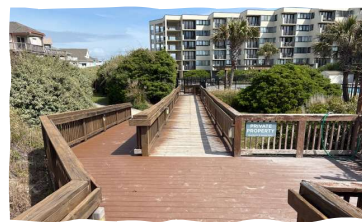
Robert reviewed the slide to confirm no additional costs are planned.

New Business

Ralph Strickland

- **Sands Villa Boardwalk Replacement Project**

- Sands Villa determined existing boardwalk requires substantial reconstruction – 30+ years old
- Sands Villa Board recommending complete demolition and rebuilding with concrete material
- Costs expected to be substantial for SV and IQ (estimated at approx. \$30K each - TBD)
- Costs of project expected to be shared in 3Q2026
- SV projecting timeline for the project to be Dec2026/Jan2027
- *Special Assessment likely required in 4Q26 or 1Q27 to cover IQ's portion of the sidewalk cost*



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Ralph provided overview of the current status of the boardwalk shared with Sands Villa (SV)

- Boardwalk was assessed by contractor and necessary repairs made for 2026 season
- SV plans to tear down and rebuild in winter months (Nov, Dec, Jan)
- SV will share a visual plan for residents to review in the next couple months; IQ costs are anticipated to be possibly \$50K which could result in a \$1000 assessment for IQ residents --- this will be confirmed once the SV plans and costs are shared

New Business

Island Quay Streets – Robert Blackley

- Contractor assessed current condition of streets and made the following recommendation:

"Those roads still have some life left if you want to wait. My advice would be to put this off for now until we see where oil prices go."

Thomas Simpson Construction	
General Contractor License #17758	
1507 Live Oak St. Suite A Beaufort, NC 28516 Phone (252) 247-4401 Fax (252) 247-0184	
DATE: March 19, 2026 Quotation # Customer ID	
Quotation valid until: April 18, 2026 Prepared by: Noah Simpson	
To: Name: Island Quay Address: City: State: Phone:	
Comments or special instructions: Price based upon site visit and measurements	
Description	AMOUNT
Island Quay	
Ocean Side	
Bridge mill and profile approximately 3,500 SY of road prior to paving	\$ 12,000.00
Additional: Mill road to subgrade and fine grader/compact (contractor not responsible to poor subgrade conditions)	\$ 9,000.00
Allowing asphalt to subgrade may require additional stone base to level road sub grade. Please allow 450 tons of stone in your budget. ABC stone is \$5.00 per ton	
Task and overlay approximately 3,500 sy with 1.5" SP19.5B	\$ 53,990.00
Add: Increase asphalt depth to 2" (please note that if we remove all the existing asphalt, this option will be utilized)	\$ 7,990.00
TOTAL	

If you have any questions concerning this quotation, contact Noah Simpson, 252-247-4401, noah@thomassimpsonconstruction.com
If you agree to the price quoted above, please sign and return.

THANK YOU FOR YOUR BUSINESS!

Notes:

TSCC will not be liable or responsible for standing or ponding water on asphalt with a designated slope of less than 1.5%.

This is a unit based contract. For purposes of final payment, in place measurements will be taken upon completion of the job.

Asphalt Escalation Clause

Price is based upon the NCDOT Monthly Terminal New Asphalt Binder price of **\$42.50** per ton for the month of March 2026. Due to market volatility in asphalt prices, this propose is subject to a unit price adjustment for all bid items requiring asphalt binder. For each \$1.00/ton change in the binder index, asphalt bid item pricing will change at \$0.06 per ton accordingly. The most current available index price at the time of asphalt placement will be used in determining the price adjustment.

All quotes represent contracts for capital improvements to real property

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Robert reminded residents that IQ Dr was paved a couple years back. IQ Court was evaluated recently as this portion of the paving project was delayed due to ongoing construction on IQ Court. The contractor assessed that the street is 'good for now' and it would be best to wait before progressing this project in light of current oil prices and the ongoing construction along IQ Ct.



New Business

Nominating Committee for 2026

- Need to elect 2 members to participate on Nominating Committee for 2026
- Members will work with IQ Board member to identify candidates for the 3 positions being elected at April 2027 meeting

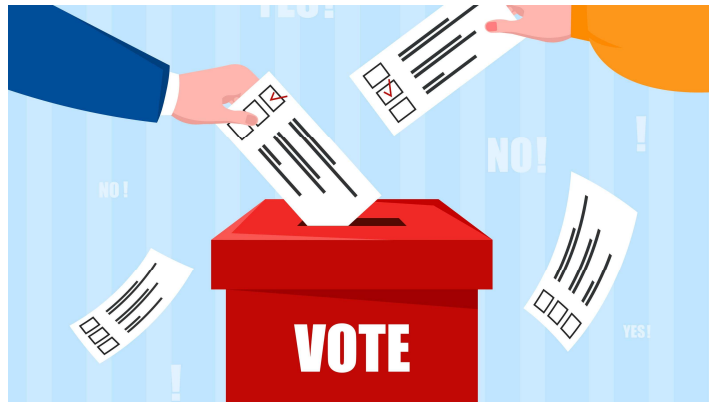
17

In 2027, 3 IQ Board positions will be vacated; positions held by Ricky Cooper, Errick Cameron, and Amy Mitchell.

Two at-large residents are needed to identify candidates to fill these positions. Karen Leggett and Debbie Cooper agreed to serve on the Nominating Committee in preparation for the HOA 2027 Annual Meeting. A member of the existing IQ Board will work with Karen and Debbie.

Election of IQ Board Members

Erick Cameron



- One ballot per household

18

Erick administered the election process. Ralph Strickland and Robert Blackley were re-elected unanimously to remain on the IQ Board for 2 more years. No nominees were made from the floor, and no write-in nominees were received.

Thank You



At the conclusion of the meeting, those present posed for a photo with the 'Thank You' board prepared for Betty and Irving Smith to recognize there many years of dedication to the Island Quay community with their service on the IQ Board and their willingness to maintain IQ bathrooms for the past 2 summers.

Answers to Frequently Asked Questions



Renting is allowed. The HOA requests weekly rentals minimum (7 days). No short-term rentals - weekend rentals have caused major problems. Owners responsible for their guest including damages. Ensure renters are aware of IQ guidelines including trash pickup requirements/schedules.



Parking is restricted to your property. No parking on IQ streets or common areas. Please limit parking to what your lot can handle. Please ensure service or construction workers are parking on your lot and not blocking any driveways or mailboxes.



Pool Rules are posted at pool. **Pets are not allowed in pool area (health dept) , no glass , owners responsible for renters' actions.** All owners should help clean bathrooms. Gate must be locked at all times (no blocking gate open). Lost pool keys have \$100 replacement charge. Pool open each Mother's Day weekend until Monday after Seafood Festival in October (daylight hours only) .



Pets -- all dogs must be on a leash which is AB rule. When residents complain they are referred to AB police. Be respectful of your neighbors.



Golf Carts or Vehicles are not allowed to park at the end of Island Quay Ct. at the sidewalk to the beach at anytime .



No Fences - we do not allow fences in Island Quay. We do allow underground fences for dogs .We will allow ground floor deck railings directly under decks for dogs etc. not in grass.



No detached storage buildings are permitted. We will allow ground floor storage buildings directly under deck attached to house.



Trash & yard waste : the town of **Atlantic Beach will only empty trash cans placed on Island Quay Court or Drive** on pick up days. Trash must be in cans (not in bags on ground). Yard waste must be on IQ Court or Fort Macon Road. Trash cans should be removed from street after emptied. Trash cans should be secured during storms. Visit AB Town website for more guidelines/ restrictions.