BAY HILLS TOWNHOUSES A CONDO TANGLEWOOD II REGIME

BUDGET MEETING

October 8, 2026

Meeting:	A Budget Meeting of the Association's Board of Directors will be held on Thursday, October 8, 2026, at 7:00 p.m., Gloria DEI Lutheran Church Room D, 461 College Parkway, Arnold, Maryland 21012, and via Microsoft Teams. Meeting ID: 213 822 581 232 Passcode: XJZnjQ Or call in (audio only) +1 321-754-9506,,419724914# Phone Conference ID: 419 724 914#
Purpose:	The purpose of this meeting will be to discuss and approve the proposed budget and assessment for the year ending December 31, 2027. A copy of the proposed budget is enclosed for your information and review.
Additional Information:	After the budget has been approved, Sentry Management will mail payment coupons and return envelopes for your use in remitting your assessment payment. Remember…all checks must be made payable to BAY HILLS TOWNHOUSES A CONDO TANGLEWOOD II REGIME
Questions:	For additional information, please contact your association's Community Care Team: Phone: 410-721-7171 Email: maryland@sentrymgt.com
Enclosures:	Board of Directors Letter Proposed Budget

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CAPITAL RESERVES

Beg Balance Streets	97,354.00	
Beg Balance Other Capital Items	92,187.00	
Total Beginning Balance 01/01/2026		**189,541.00**
Estimated Additions from interest earned		6,824.00
Additons from Condo Fees		26,675.00
Subtraction for estimated expenditures for Roads		(21,773.00)
Subtraction for estimated expenditures for Other Capital Items		(19,880.00)
Subtraction to Increase Insurance Deductible to 10,000		(4,334.00)
End Balance - Roads	83,759.00	
End Balance - Other Capital Items	93,294.00	
Total Estimated Ending Balance 12/31/2026		**177,053.00**

OPERATING RESERVES

Beginning Balance 01/01/2026	**5,666.00**
Additions to Increase to 10,000	4,334.00
Estimated Ending Balance 12/31/2026	**10,000.00**

		2027 Proposed Budget	2026 Projected Year End
	2025 Current - Condo Fee - $175		
	2027 Increase - Condo Fee - $15		
	2027 - Condo Fee - $200		
	Operating Income		
4020	Assessements	194,400.00	179,820.00
4060	Late Charges	1,025.00	1,405.00
4100	Interest Income - Operating	300.00	301.02
4969	Allowance for Doubtful Acct	(500.00)	(500.00)
	Covenant Violation Fines		2,400.00
	Total Income	**195,225.00**	**183,426.02**
	Grounds Maintenance		
6039	Townhome Maintenance(Termite Contract)	2,700.00	2,700.00
6040	Contracted Lawn Service	30,000.00	29,614.56
6041	Grounds Maintenance	15,000.00	10,370.00
6083	Extermination (Mosquitos & Tics)	1,770.00	2,070.00
6157	Pet Waste Stations	5,600.00	5,600.00
6240	Tree and Shrub Maintenance	8,500.00	3,500.00
6352	Snow Pushing	11,000.00	11,440.00
6599	**Total**	**74,570.00**	**65,294.56**
	Administrative		
8020	Management Fees	19,870.00	18,925.20
8033	Discretionary Fund	600.00	356.64
8040	Postage	400.00	367.00
8060	Copies/Printing & Supplies	2,200.00	1,962.00
8080	CPA Services	1,975.00	1,870.00
	Management Support		300.00
	Reserve Study		2,150.00
8100	Legal Expense	950.00	1,620.00
8120	Insurance (Bldg & D&O)	65,753.00	60,745.00
8180	Income Tax (Federal and State)	1,377.00	1,331.66
8380	Meeting Hall Rental	500.00	500.00
	Technology Fee	300.00	300.00
8390	Annual Corp Report Filing	55.00	55.00
8479	**Total**	**93,980.00**	**90,482.50**
	Restsricted Transfers to Reserve		
9150	Reserve - Roads	7,000.00	7,000.00
9171	Reserve - Pooled	19,675.00	19,675.00
9299	**Total**	**26,675.00**	**26,675.00**
9980	**Total Expense**	**195,225.00**	**182,452.06**
9990	**Net Income/Loss**	-	**973.96**

To all Tanglewood II Homeowners:

As Tanglewood II homeowners, we take pride in our community and want it to look its best so that our homes will maintain their value. Please take a few minutes to review the 2027 budget and understand how your monthly assessments are spent. Over the years the board has done its best to keep your monthly condo fee increase small. Unfortunately, due to rising costs we will be increasing our fees by $15 per month. Starting in January the condo fees will increase to $200.00 per month. Our condo fees are somewhat less than other same size communities in our area. Here is an estimated breakdown of where your $200 will go. Grounds Maintenance $76, Administrative and Management $97, and Reserve Expenditures $27. Please be aware of new coupons beginning in Jan 2027.

This year our budget meeting will be held on October 8th. Please see the included notice from Sentry for details. We will be glad to answer any questions you may have regarding either the budget or the community.

INCOME

Income consists of the assessments collected from our homeowners, less an estimated write off for uncollectable homeowner fees. Income also consists of money earned on our interest-bearing bank accounts and late fee collections.

OPERATING EXPENSES

Grounds Maintenance

Weir Pest Control Services: This company sprays the common areas for mosquitos, tics and fleas. This is normally done from May through October.

Weir Pest Control Services: Termite Inspection. This is an important inspection, and each resident should allow the Weir representative to enter and inspect their home. We have had problems with termites in several homes over the years. The inspection usually takes place over a 3-day period in March. It is important that each homeowner take the responsibility to make an appointment when the inspection notice is received. In order to avoid a rodent problem, please keep trash in covered bins and keep back yards free of all pet debris.

Marty Mows: This year we again used Marty Mows. In addition to lawn mowing and common area maintenance, this includes clean up, fertilizing, seeding, pruning, mulching, and some tree work. At times we also contract special jobs such as, steps, walls, plantings, etc. and additional unexpected lawn/shrub care.

Poop Happens: Pet waste removal. Our Doggie Stations have been helpful in keeping our common areas clean. Please be sure that you take advantage of our easy-to-use bags and disposal boxes.

Bob Lester's Tree Service: Tree Pruning. We schedule regular tree pruning each year for the large trees in the common areas.

Real Time Property Maintenance: Snow and ice removal. Snow removal costs can be extremely expensive in a year with heavy snowfall such as the previous winter. Please be sure to watch for "No Parking for Snow Removal" signs.

Drain Pro, LLC: Scoping and cleaning of our sewer laterals and mains. We will continue to monitor the laterals in the coming years on a regular basis.

Administrative and Management

Sentry Management: You should be receiving email blasts from Sentry each month with a link to attend our monthly board meetings. Thank you to all residents who have taken the time to attend our meetings. Sentry provides us with several services, including our Property Manager, Antoine Spriggs, who attends our monthly meetings and advises us on various matters. They answer calls from residents, collect condo fees, do banking, accounting, prepare financial statements and mail all correspondence. Other miscellaneous costs are also charged in addition to our contract such as postage, copying and other standard office fees.

Reserve Advisors: Every 5 years we are required to have a Reserve Study done. They walk the community, review our financials and determines if we have enough money in reserves to cover future capital expenditures. This year we had our reserve study done. The results stated that our Reserve funding was on target to meet future capital expenses.

KQ Williams CPA: Each year our accounting firm does a complete audit of the financial statements that have been prepared by our management company. They also prepare the federal & state income tax returns and the state personal property tax return.

Cincinnati Insurance Company: This year we switched from Selective Insurance to Cincinnati Insurance for our liability and fire insurance on our buildings and common areas. Cincinnati also carries the fidelity bond and our D & O policy. Our buildings are getting older and harder to insure at a reasonable rate. This year we had another larger than expected increase to our liability insurance policy premiums. Another factor contributing to premium increases is several expensive insurance claims. We all need to work hard at keeping these claims to a minimum by properly taking care of our homes. Our deductible is currently $10,000 but is due to increase over the next several years.

NON-OPERATING DISBURSEMENTS - RESERVES

These are fixed amounts that the board has elected to set aside each year for the replacement of capital items such as roads, sidewalks, curbs, sewer laterals and mains, retaining walls, stairs, fences, entry sign etc. This year we spent $21,780 to reseal and paint all the parking areas and for repairs to curbs and gutters. We also added new stop areas along the intersection of Colonial Ridge and Brunswick Court. We spent $6,280 on an asphalt path to replace old slate stones. We also had a sewer pipe issue that we spent another $8,600 on and now anticipating another expense on sewar laterals. At year end, we are estimated to have $177,000 in reserves for future expenditures and $10,000 held for insurance deductible. (See included Reserve Analysis)

Sincerely,
Board of Directors, Tanglewood II