



NOTICE OF PROPOSED 2025 BUDGET FOR TANYARD SPRINGS HOA

October 15, 2024

Dear Tanyard Springs HOA Homeowners,

Your Board of Directors cordially invites you to attend our upcoming virtual Board meeting in November which has been rescheduled to take place on Tuesday, November 19, 2024, at 6:00 p.m. The meeting will be held via GoToMeeting and the link will be announced and posted on the HOA's website.

The primary purpose of this meeting is to discuss and approve the proposed 2025 budget for Tanyard Springs HOA, which is enclosed for your review. The Board Members and the Abaris Team have worked diligently to develop the FY25 budget that begins January 1, 2025, and runs through December 31, 2025. The annual budget is a projected estimate used to balance income against expenditures and to help ensure fiscal responsibility. The HOA's Governing Documents state that the Board of Directors is responsible for ensuring that sufficient funds are available for administrative and maintenance costs of the Tanyard Springs HOA common property and amenities. The proposed budget includes an annual contribution to the general reserve fund of \$322,500 and an annual contribution to the townhome reserve fund of \$146,500, which is in accordance with the 2022 independent reserve study conducted by Reserve Advisors. Enclosed is a summary of the reserve study. Funding of the reserves in accordance with an independent reserve study which must be conducted every 5 years is a law in the State of Maryland that was passed in 2021. This is very important so that future major projects can be comfortably afforded without the need for any special assessment on the homeowners. The budget also includes a new revenue line item "Carry Forward Excess Equity (UME)" which is budgeted at \$80,843 for 2025. This represents the funds needed to balance the operating budget, in lieu of any increase in assessments. These funds are from prior year budget surpluses which have accumulated in the HOA's UME account which has a current balance of \$791,630 as of August 31, 2024. UME is like a retained earnings account in a regular corporation. It is a cumulative account and represents the HOA's net income or loss since inception. According to Goldklang Group CPAs, P.C., the HOA's independent auditor and tax preparer, it is important for associations to accumulate excess operating funds to between 10% and 20% of annual assessments to prevent net losses from creating deficits in excess operating funds. In this case, it is necessary for Tanyard Springs HOA to maintain excess operating funds in the UME between \$157,666 and \$315,332 which represents 10% and 20% of annual assessments. Since we have accumulated an excess over the 20% threshold, the Board has elected to use funds from the UME to balance the 2025 operating budget without any increase in the HOA fee assessments.

The Tanyard Springs Proposed 2025 budget includes no increase in the general assessments, and no increase in the Townhome assessment. There will also be no increase in the Stonehouse Run assessment.

The proposed assessments for 2025 will remain as follows:

- **Single Family Home – \$80.50 per home per month (base assessment)**
- **Townhome – \$93.50 per home per month (\$80.50 base assessment + \$13 Townhome assessment)**
THs contribute more toward items such as street lighting and snow removal on HOA roads in TH areas.
- **Stonehouse Run – \$29.00 per home per month**
As part of the founding documents filed by the Tanyard Springs developer, Stonehouse Run homeowners enjoy access to amenities, but are not part of the Tanyard Springs HOA.

Please review the proposed budget and provide your comments by November 19, 2024, via one of the following methods:

- Vantaca General Inquiry – Submit an inquiry via the Abaris Vantaca portal
- Letters may be sent by mail to Tanyard Springs HOA, 6920 Heritage Crossing, Glen Burnie, MD 21060
- Fax: 301-468-0983
- Email: tanyardsprings@abarisrealty.com or sambush@abarisrealty.com
- Participation in the virtual Board of Directors Meeting on Tuesday, November 19, 2024, at 6:00 p.m.

After hearing comments from homeowners, the Board will decide on any final adjustments prior to adopting the final budget at the end of the meeting. Should you have questions, concerns or comments, please direct them to me by email to sambush@abarisrealty.com. The Board is looking forward to hearing your input on the proposed budget, and we hope you are all staying safe and well.

Sincerely,

Shireen Ambush, PCAM, CPM
Community Manager

TANYARD SPRINGS HOA PROPOSED 2025 BUDGET

2020	2021	2022	2023	GL		2024	2024	2025
AUDIT	AUDIT	AUDIT	AUDIT	ACCT	DESCRIPTION	ACTUAL	BUDGET	BUDGET
12 MOS	12 MOS	12 MOS	12 MOS			8 MOS	12 MOS	12 MOS
					REVENUE:			
					MEMBERS ASSESSMENTS:			
\$ 1,367,040	\$ 1,367,040	\$ 1,367,440	\$ 1,380,414	41080	HOMEOWNER ASSOC FEES	\$ 920,276	\$ 1,380,414	\$ 1,380,414
180,432	180,408	180,492	196,248	41081	TOWN HOUSE - HOA	130,832	196,248	196,248
-	-	5,520	-	-	OWNER ONE TIME ASSESS	-	-	-
12,455	15,943	27,109	25,780	41240	CLUBHS RENTAL FEES	21,721	25,956	25,956
21,047	21,194	22,176	22,968	41310	RECREATION FEE STONEHOUSE RUN	15,312	22,968	22,968
22,387	23,460	16,185	22,690	41400	LATE/INTEREST FEES	14,460	17,600	20,000
28,674	72,390	46,061	25,417	41440	LEGAL FEES	13,458	25,600	25,600
-	13,085	10,150	9,585	41442	LEGAL- ADMIN COST	6,205	8,000	9,000
-	36	-	-	41460	KEYS	-	-	-
-	-	-	(75)	41500	REPAIRS/SUPPLIES FEES	536	-	-
-	-	308	-	41540	STORAGE BIN FEES	-	-	-
-	-	5,392	10,719	41553	POSTAGE & PRINTING REIMB	7,344	9,000	9,000
(250)	16,506	9,910	3,910	41560	MISCELLANEOUS FEES	2,160	-	-
-	608	-	-	41630	RENTAL SURCHARGE FEE	-	-	-
\$ 1,631,785	\$ 1,710,670	\$ 1,690,743	\$ 1,697,656		TOTAL MEMBER ASSESSM	\$ 1,132,303	\$ 1,685,786	\$ 1,689,186
					OTHER REVENUE:			
\$ 30,818	\$ 27,730	\$ 31,091	\$ 74,693	43020	INTEREST REVENUE	\$ 85,900	\$ 51,000	\$ 62,700
375	229	50	-	43060	VENDING MACH. REV.	943	-	-
-	-	392	900	43100	POOL GUEST/USER	520	500	500
(50)	16,625	-	-	43140	FINES	-	-	-
160	800	1,050	1,280	43310	GARDEN PLOT INCOME	1,100	1,200	1,200
-	-	-	2,081	43510	BAD DEBT RECOVERY	-	-	-
213	-	-	-	43900	MISCELLANEOUS REVENU	-	-	-
556	2,524	2,816	2,881	43910	ACCESS CARDS	1,140	2,800	2,800
813	125	175	475	43920	NSF COST	(25)	300	300
				49020	CARRY FORWARD EXCESS EQUITY (UME)	-	-	80,843
\$ 32,885	\$ 48,033	\$ 35,573	\$ 82,309		TOTAL OTHER REVENUE	\$ 89,578	\$ 55,800	\$ 148,343
\$ 1,664,670	\$ 1,758,703	\$ 1,726,315	\$ 1,779,965		TOTAL REVENUE	\$ 1,221,881	\$ 1,741,586	\$ 1,837,529
					EXPENSES:			
					ADMINISTRATIVE EXPENSES:			
\$ 106,800	\$ 174,156	\$ 225,656	\$ 235,782	50020	MANAGEMENT FEE	\$ 161,471	\$ 244,010	\$ 247,616
45,932	94,274	38,758	25,425	50030	LEGAL-OWNER BILLINGS	19,468	28,000	28,000
6,740	24,401	9,455	9,685	50032	LEGAL - ADMIN COST	5,275	8,000	8,000
61,051	78,002	8,602	8,837	50040	LEGAL	4,585	7,500	7,500
-	-	-	-	50051	CORPORATE TRANSPARENCY ACT FEE	-	-	500
10,081	6,979	6,346	7,135	50060	AUDIT/TAX RETURNS	7,863	7,750	8,150
-	1,140	-	6,372	50070	CONSULTANT FEE	-	5,000	5,000
1,405	-	77	-	50100	OFFICE SUPPLIES	58	100	250
2,949	6,436	4,306	4,309	50110	OFFICE EQUIPMENT	2,541	5,000	500
12,624	11,948	7,354	7,793	50130	POSTAGE	4,896	6,500	6,500
4,332	8,666	3,932	4,863	50140	PRINTING	3,225	4,500	4,500
34,176	4,305	-	-	50190	COMMUNITY INSPECTIONS	-	-	31,438
12,564	-	-	-	50240	EDP-BILLING	-	-	-
-	607	-	-	50280	DUES,SUBSCRIPTIONS	-	500	500
1,298	1,809	1,822	1,736	50300	ANNUAL MEETING	1,498	1,800	1,800
350	35	105	(35)	50380	BANK CHARGES	220	100	100
3,119	550	4,980	7,471	50450	SOCIAL COMMITTEE	3,927	20,000	20,000
2,000	1,625	1,625	2,750	50460	SECRETARIAL SERVICE	1,750	3,000	3,000
-	1,835	2,481	889	50475	GARDEN COMMITTEE	1,698	1,000	2,000
300	6,750	5,450	-	50640	ENGINEERING STUDY	-	-	-
3,872	5,135	3,665	2,962	50830	WEBSITE	669	3,000	1,000
821	-	-	-	50840	REIMBURSED EXPENSE	-	-	-
75	-	-	-	50842	REIMBURSE COMPLIANCE	-	-	-
10,410	53,418	32,413	-	50960	BAD DEBT	-	10,000	10,000
14,335	1,776	2,115	390	50980	MISCELLANEOUS	413	-	-
\$ 335,234	\$ 483,847	\$ 359,142	\$ 326,365		TOTAL ADMINISTRATIVE EXPENSES	\$ 219,557	\$ 355,760	\$ 386,354
					UTILITIES:			
\$ 106,151	\$ 100,833	\$ 102,128	\$ 106,374	51010	ELECTRICITY-STREET LIGHTS	\$ 72,151	\$ 107,500	\$ 107,500
345	321	345	360	51031	ELECTRICITY - CLOCK	227	400	400
4,706	6,278	5,964	6,431	51090	TELEPHONE	4,330	6,500	6,500
\$ 111,202	\$ 107,432	\$ 108,437	\$ 113,166		TOTAL UTILITIES	\$ 76,708	\$ 114,400	\$ 114,400
					CONTRACTED SERVICES:			
\$ 3,339	\$ 1,915	\$ 2,567	\$ 2,751	52020	TRASH	\$ 1,893	\$ 2,800	\$ 2,800
176,300	179,917	198,758	204,270	52040	GROUNDS/LANDSCAPING	136,104	204,270	194,543
435	-	261	83	52060	EXTERMINATING	-	300	300
20	-	-	-	52071	ARCHITECTUAL INSPECT	-	-	-
-	1,010	1,054	1,470	52100	HVAC MAINTENANCE CONTRACT	575	1,450	2,300
21,625	72,000	84,040	89,800	52180	POOL	50,451	97,900	103,400
19,144	349,916	189,918	-	52320	SNOW REMOVAL-TOWNHOMES	101,678	221,880	221,880
-	-	19,654	-	52322	SNOW REMOVAL-HOA AREA	10,522	22,962	22,962
-	-	11,263	-	52324	SNOW REMOVAL-CLUBHOUSE	6,030	13,158	13,158
159	487	291	265	52400	FIRE SYSTEM MONITORING	265	350	1,650
\$ 221,022	\$ 605,245	\$ 507,807	\$ 298,639		TOTAL CONTRACTED SERVICES	\$ 307,518	\$ 565,070	\$ 562,993
					MAINTENANCE REPAIRS:			
\$ 5,697	\$ 2,254	\$ 1,729	\$ 547	53060	PLUMBING	\$ 577	\$ 2,000	\$ 2,000

TANYARD SPRINGS HOA PROPOSED 2025 BUDGET

2020	2021	2022	2023	GL		2024	2024	2025
AUDIT	AUDIT	AUDIT	AUDIT	ACCT	DESCRIPTION	ACTUAL	BUDGET	BUDGET
-	7,857	-	8,338	53110	TOT LOT WOOD CHIPS/REPAIR	70	9,000	10,500
18,302	1,713	4,224	39,145	53260	GROUNDS/LANDSCAPING	3,586	5,000	8,000
5,000	-	-	-	53270	FLOWER ROTATION	-	-	-
20,375	25,780	4,250	4,900	53280	TREE CARE	9,500	5,000	20,000
3,672	-	-	-	53282	TREE REMOVAL	-	-	-
3,270	587	-	-	53310	IRRIGATION	-	3,000	3,000
208	4,665	2,359	4,960	53312	IRRIGATION SYSTEM-WATER	116	3,000	3,000
85,031	82,043	94,101	83,241	53420	GENERAL REPAIRS	47,466	90,000	90,000
-	654	733	-	53540	TENNIS COURTS	-	350	350
-	-	-	2,215	53542	BASKETBALL COURTS	-	350	350
438	2,264	2,026	4,383	53620	GYM EQUIPMENT REPAIR & MAINT.	3,083	4,000	4,000
12,100	-	-	-	53622	SAFETY & SECURITY	-	-	-
159	-	-	-	53662	COMMUNITY CENTER MAINTENANCE	-	-	-
5,616	27,092	21,759	24,732	53663	COMMUNITY CENTER CLEANING	18,213	27,000	27,000
5,928	12,721	14,148	12,957	53664	COMMUNITY CENTER-ELECTRICITY	11,643	15,000	18,500
1,598	1,968	2,504	2,125	53665	COMMUNITY CENT-GAS	1,279	2,500	2,500
1,182	(494)	3,864	5,029	53666	COMMUNITY CENTER-WATER/SEWER	6,933	5,000	7,000
1,947	2,986	3,154	3,178	53668	COMMUNITY CENT-ACCESS SYSTEM	3,132	3,500	3,500
-	-	443	-	53702	MONUMENT EXPENSE	-	-	-
2,735	6,652	8,241	9,707	53720	MAINTENANCE/SUPPLIES	8,216	10,000	10,000
1,749	750	1,774	-	53750	HVAC REPAIRS & SUPPLIES	-	2,000	2,000
-	173	1,422	209	53850	SIGNS	-	1,000	1,000
4,935	12,951	4,078	3,638	53870	POOL EQUIPMENT,SUPPL	666	4,000	4,000
-	19,650	11,830	2,000	53872	POOL REGISTRATION	2,000	2,000	2,000
257	-	-	-	53990	MISCELLANEOUS	-	-	-
\$ 180,199	\$ 212,266	\$ 182,636	\$ 211,305		TOTAL MAINTENANCE REPAIRS	\$ 116,481	\$ 193,700	\$ 218,700
					PERSONNEL SERVICES:			
\$ 3,414	\$ -	\$ -	\$ -	54440	PAYROLL TAXES	\$ -	\$ -	\$ -
418	-	-	-	54490	401-K EMPLOYER CONTRIBUTION	-	-	-
290	-	-	-	54500	HEALTH INSURANCE	-	-	-
2,845	-	-	-	54630	EDP-PAYROLL SERVICES	-	-	-
119,540	100,351	104,877	114,391	54680	CONTRACT STAFFING	74,678	118,719	111,535
\$ 126,507	\$ 100,351	\$ 104,877	\$ 114,391		TOTAL PERSONNEL SERVICES	\$ 74,678	\$ 118,719	\$ 111,535
					INSURANCE, TAXES, LICENSES			
\$ 16,654	\$ 16,675	\$ 16,435	\$ 17,729	59100	INSURANCE-MASTER POL	\$ 9,147	\$ 19,500	\$ 19,500
475	-	-	-	59200	INSURANCE: WORKERS COMP	-	-	-
7,756	4,158	4,340	20,919	59300	TAXES-CORP INC TAXES	32,875	10,000	18,810
27,785	9,670	28,192	37,403	59440	STORM WATER TAXES	25,806	42,000	42,000
\$ 52,670	\$ 30,503	\$ 48,967	\$ 76,050		TOTAL INSURANCE,TAX, LICENSES	\$ 67,828	\$ 71,500	\$ 80,310
\$ 1,026,834	\$ 1,539,644	\$ 1,311,866	\$ 1,139,916		TOTAL OPERATING EXPENSES	\$ 862,770	\$ 1,419,149	\$ 1,474,292
					REPLACEMENT RESERVES			
\$ 95,226	\$ 54,180	\$ 73,700	\$ 93,300	63110	REPLACEMENT RESERVE	\$ 75,267	\$ 112,900	\$ 132,500
30,818	27,730	30,963	74,693	63120	RESERVE-INTEREST EAR	85,900	51,000	62,700
-	61,796	30,567	49,259	63140	RESERVE-CONTINGENCY	14,358	21,537	21,537
220,000	268,250	118,000	127,500	63720	RESERVES-TOWNHOMES	91,333	137,000	146,500
2,500	-	-	-	63930	RESERVES-COMMUNITY R	-	-	-
\$ 348,544	\$ 411,956	\$ 253,230	\$ 344,752		TOTAL REPLACEMENT RESERVES	\$ 266,858	\$ 322,437	\$ 363,237
\$ 1,375,378	\$ 1,951,600	\$ 1,565,096	\$ 1,484,668		TOTAL EXPENSES	\$ 1,129,628	\$ 1,741,586	\$ 1,837,529
\$ 289,292	\$ (192,897)	\$ 161,219	\$ 295,297		NET INCOME/LOSS	\$ 92,253	\$ -	\$ -

RESERVE FUNDING PLAN

General

CASH FLOW ANALYSIS

Tanyard Springs

Homeowners Association

Glen Burnie, Maryland

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Reserves at Beginning of Year	(Note 1)	568,221	603,082	665,156	701,131	779,240	921,672	976,963	951,733	1,024,092	500,346	597,798	664,086	520,978	541,691	397,245	359,306
Total Recommended Reserve Contributions	(Note 2)	49,133	93,300	112,900	132,500	136,500	140,600	144,800	149,100	153,600	158,200	162,900	167,800	172,800	178,000	183,300	188,800
Estimated Interest Earned, During Year	(Note 3)	2,727	4,423	4,765	5,163	5,932	6,622	6,727	6,891	5,317	3,830	4,401	4,133	3,706	3,275	2,639	2,615
Anticipated Expenditures, By Year		(17,000)	(35,649)	(81,690)	(59,554)	0	(91,931)	(176,757)	(83,632)	(682,663)	(64,578)	(101,013)	(315,042)	(155,793)	(325,721)	(223,878)	(160,159)
Anticipated Reserves at Year End		<u>\$603,082</u>	<u>\$665,156</u>	<u>\$701,131</u>	<u>\$779,240</u>	<u>\$921,672</u>	<u>\$976,963</u>	<u>\$951,733</u>	<u>\$1,024,092</u>	<u>\$500,346</u>	<u>\$597,798</u>	<u>\$664,086</u>	<u>\$520,978</u>	<u>\$541,691</u>	<u>\$397,245</u>	<u>\$359,306</u>	<u>\$390,562</u>

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

		2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Reserves at Beginning of Year		390,562	504,160	624,100	440,349	633,799	795,554	931,066	959,169	932,713	1,117,248	1,337,835	1,381,255	1,251,019	241,010	529,397
Total Recommended Reserve Contributions		194,500	200,300	206,300	212,500	218,900	225,500	232,300	239,300	246,500	253,900	261,500	269,300	277,400	285,700	294,300
Estimated Interest Earned, During Year		3,121	3,935	3,713	3,746	4,985	6,022	6,593	6,598	7,150	8,563	9,484	9,181	5,204	2,687	3,821
Anticipated Expenditures, By Year		(84,023)	(84,295)	(393,764)	(22,796)	(62,130)	(96,010)	(210,790)	(272,354)	(69,115)	(41,876)	(227,564)	(408,717)	(1,292,613)	0	(261,367)
Anticipated Reserves at Year End		<u>\$504,160</u>	<u>\$624,100</u>	<u>\$440,349</u>	<u>\$633,799</u>	<u>\$795,554</u>	<u>\$931,066</u>	<u>\$959,169</u>	<u>\$932,713</u>	<u>\$1,117,248</u>	<u>\$1,337,835</u>	<u>\$1,381,255</u>	<u>\$1,251,019</u>	<u>\$241,010</u>	<u>\$529,397</u>	<u>\$566,151</u>

(NOTE 5)

(NOTE 4)

Explanatory Notes:

- 1) Year 2022 starting reserves are as of April 30, 2022; FY2022 starts January 1, 2022 and ends December 31, 2022.
- 2) Reserve Contributions for 2022 are the remaining budgeted 8 months; 2023 is the first year of recommended contributions.
- 3) 0.7% is the estimated annual rate of return on invested reserves; 2022 is a partial year of interest earned.
- 4) Accumulated year 2052 ending reserves consider the age, size, overall condition and complexity of the property.
- 5) Threshold Funding Year (reserve balance at critical point).

RESERVE FUNDING PLAN

Townhomes

CASH FLOW ANALYSIS

Tanyard Springs

Homeowners Association

Glen Burnie, Maryland

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Reserves at Beginning of Year	(Note 1)	1,116,631	1,200,693	1,273,374	1,419,767	1,576,718	1,669,007	1,764,973	1,937,988	1,639,919	1,493,168	1,173,661	1,278,814	1,284,716	1,259,831	876,640	759,119
Total Recommended Reserve Contributions	(Note 2)	78,667	127,500	137,000	146,500	150,900	155,400	160,100	164,900	169,800	174,900	180,100	185,500	191,100	196,800	202,700	208,800
Estimated Interest Earned, During Year	(Note 3)	5,395	8,629	9,393	10,451	11,320	11,977	12,915	12,479	10,928	9,301	8,554	8,941	8,875	7,452	5,705	4,498
Anticipated Expenditures, By Year		0	(63,448)	0	0	(69,931)	(71,411)	0	(475,448)	(327,479)	(503,708)	(83,501)	(188,539)	(224,860)	(587,443)	(325,926)	(441,917)
Anticipated Reserves at Year End		\$1,200,693	\$1,273,374	\$1,419,767	\$1,576,718	\$1,669,007	\$1,764,973	\$1,937,988	\$1,639,919	\$1,493,168	\$1,173,661	\$1,278,814	\$1,284,716	\$1,259,831	\$876,640	\$759,119	\$530,500

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

		2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Reserves at Beginning of Year		530,500	650,013	719,037	953,069	1,027,107	1,277,244	1,421,463	1,569,744	1,808,550	2,094,664	2,131,033	2,436,062	2,028,737	1,658,240	1,073,917
Total Recommended Reserve Contributions		215,100	221,600	228,200	235,000	242,100	249,400	256,900	264,600	272,500	280,700	289,100	297,800	306,700	315,900	325,400
Estimated Interest Earned, During Year		4,117	4,775	5,832	6,906	8,037	9,413	10,433	11,783	13,614	14,738	15,929	15,572	12,859	9,529	8,656
Anticipated Expenditures, By Year		(99,704)	(157,351)	0	(167,868)	0	(114,594)	(119,052)	(37,577)	0	(259,069)	0	(720,697)	(690,056)	(909,752)	0
Anticipated Reserves at Year End		\$650,013	\$719,037	\$953,069	\$1,027,107	\$1,277,244	\$1,421,463	\$1,569,744	\$1,808,550	\$2,094,664	\$2,131,033	\$2,436,062	\$2,028,737	\$1,658,240	\$1,073,917	\$1,407,973

(NOTE 4)

Explanatory Notes:

- 1) Year 2022 starting reserves are as of April 30, 2022; FY2022 starts January 1, 2022 and ends December 31, 2022.
- 2) Reserve Contributions for 2022 are the remaining budgeted 8 months; 2023 is the first year of recommended contributions.
- 3) 0.7% is the estimated annual rate of return on invested reserves; 2022 is a partial year of interest earned.
- 4) Accumulated year 2052 ending reserves consider the need to fund for subsequent asphalt repaving shortly after 2052, and the age, size, overall condition and complexity of the property.