



## NOTICE OF BALD HEAD ASSOCIATION 2026 ANNUAL MEETING

BHA's 2026 Annual Meeting will be held in-person and online on Saturday, January 31, 2026, at 9:00am the BHA Association Center (111 Lighthouse Wynd). The meeting will be recorded and posted online within 72 hours after the event for viewing on your own schedule. Information about joining the live meeting will be available on BHA's website in mid-January. Visit [www.BaldHeadAssociation.com](http://www.BaldHeadAssociation.com) for annual meeting information such as candidate profiles, voting FAQs, 2025 annual meeting minutes, the 2026 budget and more.

### VOTING PROCESS

Online proxy voting will begin on January 9, 2026, and end at 4:00pm EST on January 26, 2026. A paper proxy is also included in this mailout, should you prefer. All paper proxies must also be received by 4:00pm EST on January 26, 2026, in order to be counted. Please visit BHA's website ([www.BaldHeadAssociation.com](http://www.BaldHeadAssociation.com)) for complete voting instructions.

### 2026 MASTER ASSOCIATION BUDGET

The Board and staff would like to extend our appreciation to the members of the Finance Committee; Paul Carey, Vickie Lonker, Pam Schlosser, Rick Nelson, Rhonda McNairy, Nuno Valentine, Clayton Hemphill and Robert Iseman for their contributions to reviewing the draft 2026 annual budget. Their hard work combined with the staff's efforts allowed the Board to adopt the final 2026 budget during the November board meeting.

	2025 Operating Fund	2026 Operating Fund	2026 Reserve Fund	Total Funds	Yr. to Yr. Change Operating Fund
<b>Revenues</b>					
<b>Master Association Revenue</b>					
4000 - 000 Assessments Income - Basic	847,552	899,195	-	899,195	51,643
4300 - 000 NSB Reserves Interest Income - BHA	17,273	17,273	-	17,273	-
4305 - 000 Vanguard Reserves Income	19,527	19,527	-	19,527	-
4306 - 000 Vanguard Reserves Interest Income	-	-	-	-	-
4225 - 000 Re-sale Transfer Fee Income	23,400	23,400	-	23,400	-
4050 - 000 Recovery of Bad Debt	-	-	-	-	-
4060 - 000 Interest Fee - Late Assessments - BH	3,536	1,000	1,000	1,000	(2,536)
4065 - 000 Late Fee	6,878	6,500	6,500	6,500	(378)
4070 - 000 Collection Fees	98	-	-	-	(98)
4850 - 000 Misc. Income	5,050	5,000	5,000	5,000	(50)
Operations Administrative Revenue	239,171	233,671	233,671	233,671	(5,500)
Communications & Marketing Revenue	66,432	71,180	71,180	71,180	4,748
Amenity Revenue	58,451	63,625	63,625	63,625	5,174
<b>TOTAL REVENUES</b>	<b>1,287,368</b>	<b>1,340,371</b>	<b>-</b>	<b>1,340,371</b>	<b>53,003</b>
<b>Expenses</b>					
Overhead & Related Expenses	908,608	935,563	935,563	935,563	26,955
Operations Administrative Expenses	122,677	126,468	126,468	126,468	3,791
Board Related Expenses	11,311	12,200	12,200	12,200	889
Communications & Marketing	43,522	48,651	48,651	48,651	5,129
Taxes, Fees & Insurance	87,463	122,171	122,171	122,171	34,708
Common Area Maintenance Expenses	13,723	16,900	16,900	16,900	3,177
Amenity Specific Expenses	76,856	90,493	90,493	90,493	13,637
<b>TOTAL OPERATING &amp; ADMINISTRATIVE EXPENSES</b>	<b>1,264,160</b>	<b>1,352,446</b>	<b>-</b>	<b>1,352,446</b>	<b>88,286</b>
<b>Reserve Projects &amp; Required Annual Contribution</b>					
<b>Planned Projects 2026</b>					
Funds due to Operating from Reserves Savings Accounts	-	-	(15,500)	(15,500)	(15,500)
Planned Reserve Project Repairs-Association C	-	-	15,500	15,500	15,500
<b>Annual Reserve Funding Savings Contributions (50% Funding Rate)</b>					
9200 - 000 Reserves Expense - Master	-	-	12,282	12,282	12,282
9200 - 080 Reserves Expense - Boat Yard	4,550	3,560	3,560	3,560	(990)
9200 - 085 Reserves Expense - Garden	1,750	-	-	-	(1,750)
9200 - 100 Reserves Expense - AC	15,000	14,062	14,062	14,062	(938)
9200 - 125 Reserves Expense - Battery 4	10,500	3,738	3,738	3,738	(6,762)
9200 - 900 Reserves Expense - Cedar Court	448	141	141	141	(307)
9200 - 950 Reserves Expense - Palm Court	1,750	160	160	160	(1,590)
<b>TOTAL RESERVE EXPENSES &amp; CREDIT</b>	<b>33,998</b>	<b>-</b>	<b>33,943</b>	<b>33,943</b>	<b>(55)</b>
<b>TOTAL EXPENSES</b>	<b>1,298,158</b>	<b>1,352,446</b>	<b>33,943</b>	<b>1,386,389</b>	<b>88,231</b>
GAIN/LOSS	(10,790)	(12,075)	-	(46,018)	(35,228)
CARRYOVER FROM PRIOR YEAR OPERATING SURPLUS	-	-	-	-	-
<b>NET INCOME</b>	<b>(10,790)</b>	<b>(12,075)</b>	<b>-</b>	<b>(46,018)</b>	<b>(35,228)</b>

#### 2026 Budgeting Highlights

- Staff and the Finance Committee completed a transparent, in-depth budgetary process.
- A 2025 reserve study update enabled the modeling of future funding needs and maintaining an appropriate balance. A 4% increase keeps pace with inflation while not overburdening owners.
- The 2025 carryover surplus will be applied to cover the 2026 budgeted deficit.
- Please refer to the QR below for more detailed information regarding annual assessment rates for the BHA Master Association and neighborhood associations.

