

CHA 2026 Budget Overview

The reserve funding for 2026 follows the long-range study completed by Sedgwick Valuation Services in 2023, with adjustments made to replacement reserves to reflect updated needs. The Association continues to prioritize maintaining healthy reserves to fund capital projects and minimize the need for special assessments which the master Association, CHA has not had **since 2019**.

Operating costs increased more significantly this year due to higher gross expenses such as the FPL Lighting Project monthly costs, increased labor costs including insurance, increases in vendor costs due to higher labor costs for employers and higher supply costs, and projected water/sewer increases due to accurate meter readings.

Conversely, reserve contributions decreased, aligning with the reserve study's recommended schedule. As the most significant future expense to the community will be road and swale replacements in the next few years, the estimated replacement cost was increased to reflect current replacement costs. Current replacement costs are based on market pricing and job costing.

The following is a synopsis of the CHA 2026 Budget:

1. Regular Monthly Maintenance Assessments

Assessments increased 10% from \$187 to \$207 per unit per month, most of the increase due to FPL Lighting Project monthly costs (\$13 per resident per month).

2. Operating Expenses

Gross operating expenses increased from \$34,623 in 2025 to \$48,511 in 2026. After offsets, net operating expenses rose from \$30,058 to \$44,406, an increase of \$14,348 per month.

3. Reserve Funding

Total reserve contributions decreased from \$34,065 in 2025 to \$26,428 in 2026.

- Replacement Reserve: decreased from \$33,905 to \$26,268

- Flood Insurance Reserve: remains at \$160

The reduction in replacement reserve contributions reflects the updated reserve study and actual project schedules.

4. Total Budget Impact

Combined operating expenses and reserves increased from \$64,123 in 2025 to \$70,834 in 2026.

After including other income (\$240), the net income/expense requirement is \$70,594, compared to \$63,883 the prior year.

5. Vendor and Service Contracts

- Florida Irrigation Services: Projected +5%
- All Greens Landscaping: +5%
- Truly Nolen: projected +5-7%
- Barefoot Pools 0%
- ProGreen +2%.
- M&P Cleaning +3%
- Waste Management Projected +4%
- City of Stuart projected +5%

6. Labor Assessments

Monthly labor allocations reflect percentage of ownership of property which reduced labor costs allocated to condos.

NOTE: Labor costs include pool service, cleaning service, maintenance labor, and office labor.

- Condo Buildings I-X: \$1,284 per month (down from \$1,417; reduction of \$133 per month / \$1,596 annually per building).
- Condo Buildings 11 & 12: \$1,353 per month (down from \$1,486; reduction of \$133 per month / \$1,596 annually per building).
- LRA I and II: \$458 per month per building (up from \$316; increase of \$142 per month per building; Increase partially due to increased labor hours for pool maintenance).

2026 CONQUISTADOR HOMEOWNERS' ASSOC. MONTHLY BUDGET STUDY

| ACCT. NO. | 8 | ACTUAL YTD | | AVERAGE MONTHLY | BUDGET 2026 | BUDGET 25 vs 2026 |
|--------------|---|----------------|----------------------|--------------------|----------------|----------------------|
| | | BUDGET 2025 | 1/1/25- 8/31/2025 | | | |

500 - GENERAL COMMON AREAS

| | | | | | | |
|---|-------|--------|--------|--------|-------|---|
| 501 Electricity | 190 | 1,416 | 177 | 4,695 | 4,505 | 4.3% Increase over average + FPL \$4510 monthly |
| 502 Grounds Maint. | 3,786 | 26,237 | 3,280 | 3,941 | 156 | Increases: 5% Algreens & 2% ProGreen |
| 503 Tree expense | 633 | 7,600 | 950 | 998 | 365 | 5% projected |
| 504 Sewer | 48 | 316 | 40 | 41 | -7 | |
| 505 North wall, circle maint bldg, SW triangle irrigation | 1,057 | 8,954 | 1,119 | 1,170 | 113 | Increases: 10% new meters & 5% irrigation |
| 506 Irrigation Water-Front Wall | 1,100 | 7,017 | 877 | 965 | -135 | 10% Increase for new meters |
| 507 Dock | 50 | 7,011 | 876 | 300 | 250 | Dock sealant |
| 509 Repairs | 150 | 2,913 | 364 | 100 | -50 | |
| 510 Supplies | 400 | 3,763 | 470 | 517 | 117 | 10% Increase |
| 511 Trash Removal | 1,109 | 8,492 | 1,062 | 1,104 | -5 | 4% Increase estimated |
| 512 Other Expense | 106 | 888 | 111 | 110 | 5 | |
| 513 Landscape/Irrigation Expense | 500 | 8,129 | 1,016 | 654 | 154 | Mulch |
| Total General Common | 9,128 | 82,736 | 10,342 | 14,595 | 5,467 | |

550 - CLUBHOUSE

| | | | | | | |
|---------------------------|-------|--------|-------|-------|------|---|
| 551 Electricity | 1,750 | 14,185 | 1,773 | 1,849 | 99 | 4.3% Increase |
| 552 Exterminator | 145 | 1,582 | 198 | 203 | 58 | 5% Increase Truly Nolen Clubhs termite contract |
| 553 Supplies & Repairs | 900 | 5,508 | 689 | 757 | -143 | 10% Increase of average |
| 555 Pool Supply & Expense | 1,300 | 13,357 | 1,670 | 1,500 | 200 | |
| 556 Irrigation Expense | 70 | 925 | 116 | 121 | 51 | 5% Increase |
| 558 Tree expense | 35 | 350 | 44 | 46 | 11 | 5% Increase |
| 559 Sewer | 481 | 2,785 | 348 | 383 | -98 | 10% Increase new meters |
| 560 Water | 554 | 3,225 | 403 | 443 | -111 | 10% Increase new meters |
| 561 Cleaning Service | 1,323 | 10,440 | 1,305 | 1,300 | -23 | |
| 563 Other Expense | 500 | 8,674 | 1,109 | 1,109 | 609 | |
| Total Clubhouse | 7,058 | 61,231 | 4,837 | 7,711 | 653 | |

600 - GENERAL

| | | | | | | |
|------------------------------|-------|--------|--------|-------|------|--------------------------------|
| 601 Tax Prep/Audit | 500 | 300 | 38 | 500 | 0 | |
| 602 Legal Services | 1,000 | 13,596 | 1,700 | 565 | -435 | |
| 604 Fees & Licenses | 194 | 2,436 | 305 | 305 | 111 | |
| 605 Bank fees | 70 | 560 | 70 | 95 | 25 | |
| 608 Office - Telephone | 358 | 3,400 | 425 | 368 | 10 | |
| 609 Office - Supplies | 230 | 4,457 | 557 | 460 | 230 | |
| 610 Office - Service & Misc. | 1,143 | 9,257 | 1,157 | 1,157 | 14 | |
| 613 AT&T (TV & Internet) | 4,565 | 51,793 | 6,474 | 4,105 | -460 | 10% decrease in price per unit |
| Total General | 8,060 | 85,799 | 10,725 | 7,555 | -505 | |

650 - Payroll Expenses

| | | | | | | |
|-----------------------------------|--------|---------|--------|--------|--------|--|
| Payroll - Office | 5,589 | 47,438 | 5,930 | 9,665 | 4,076 | |
| * - Labor | 2,488 | 20,119 | 2,515 | 5,504 | 3,016 | Based labor on percentage of ownership of property |
| * - Simple IRA - employer | 289 | 2,518 | 384 | 541 | 252 | |
| * - SS/Medicare | 618 | 4,142 | 518 | 1,161 | 543 | |
| * - FUTA | 56 | 68 | 9 | 10 | -46 | |
| * - SUTA | 3 | 11 | 1 | 1 | -2 | |
| * - Health Insurance | 1,233 | 9,794 | 1,224 | 1,641 | 408 | 11% Increase July 2025 |
| * - WC | 101 | 600 | 75 | 127 | 26 | |
| Total Payroll | 10,377 | 84,690 | 10,656 | 18,650 | 8,273 | |
| Total General (payroll inclusive) | 18,437 | 170,489 | 21,380 | 26,205 | 7,768 | |
| GRAND TOTAL EXPENSES | 34,623 | 314,456 | 36,569 | 48,511 | 13,888 | |

2026 CONQUISTADOR HOMEOWNERS' ASSOC. MONTHLY BUDGET STUDY

| | 2025 | 2026 |
|----------------------------|--------|--------|
| GROSS EXPENSES | | |
| Blue Stream, AT&T, Directv | 34,623 | 48,511 |
| | -4,565 | -4,105 |
| NET EXPENSES | 30,058 | 44,406 |

RESERVE FUNDING

| | | |
|------------------------------------|--------|---------|
| Reserve For Replacements | 33,905 | 60,335 |
| Reserve For Flood Insurance | 160 | 160 |
| | 34,065 | 60,495 |
| TOTAL EXPENSES AND RESERVES | 64,123 | 104,901 |

INCOME

| | | |
|---------------------------|--------|---------|
| Other Income | 240 | 240 |
| NET INCOME/EXPENSE | 63,883 | 104,661 |

Proof

| | | |
|--|-----|-----|
| MAINTENANCE ASSESSMENT PER UNIT | 187 | 306 |
|--|-----|-----|

| | | |
|----------------------|--------|---------|
| Monthly Condos | 53,841 | 88,080 |
| Monthly Lots | 10,282 | 16,821 |
| Labor - Condos 1-5 | 7,084 | 6,419 |
| Labor - Condos 6-10 | 7,084 | 6,419 |
| Labor - 11 & 12 | 2,972 | 2,707 |
| Labor - LRA I | 1,582 | 2,290 |
| Labor - LRA II | 1,582 | 2,290 |
| TOTAL REVENUE | 64,123 | 104,901 |

1,284 per bldg
1,284 per bldg
1,353 per bldg
458 per bldg
458 per bldg

Proof

COMPARISON OF MONTHLY EXPENSES

| | |
|--------------------------------|-------|
| Regular Monthly - Condo Bldg. | 7,340 |
| Regular Monthly - per House | 306 |
| Monthly Labor - Condos 1-5 | 1,284 |
| Monthly Labor - Condos 6 - 10 | 1,284 |
| Monthly Labor - Condos 11 & 12 | 1,353 |
| Monthly Labor - LRA I | 458 |
| Monthly Labor - LRA II | 458 |

2026 CONQUISTADOR HOMEOWNERS' FULLY FUNDED RESERVE BUDGET

| COMPONENT | 2025 MONTHLY FUNDING AMOUNT | ESTIMATED COST TO REPLACE | ESTIMATED FUND BALANCE 12/31/2025 | TOTAL FULLY ANNUAL FUNDING (BASED ON RUL) | ADJUSTED TOTAL ANNUAL FUNDING | TOTAL FULLY MONTHLY FUNDING | TOTAL PARTIAL ANNUAL FUNDING | TOTAL PARTIAL MONTHLY FUNDING |
|--------------------------|-----------------------------|---------------------------|-----------------------------------|---|-------------------------------|-----------------------------|------------------------------|-------------------------------|
| BUILDING | \$453 | \$210,000 | \$8,436 | \$6,155 | 0 | \$0 | \$0 | \$0 |
| CAPITAL IMPROVEMENT FUND | \$2,500 | \$165,000 | \$39,112 | \$165,000 | \$125,888 | \$10,491 | \$30,000 | \$2,500 |
| COMMON AREA INTERIORS | \$2,000 | \$391,582 | \$13,736 | \$50,919 | \$37,183 | \$3,099 | \$24,000 | \$2,000 |
| CONTINGENCY FUNDING | \$710 | \$32,070 | \$14,024 | \$32,070 | \$18,046 | \$1,504 | \$8,520 | \$710 |
| DEFERRED MAINTENANCE | \$2,560 | \$48,000 | \$58,792 | \$48,000 | \$0 | \$0 | \$4,200 | \$350 |
| EQUIPMENT | \$652 | \$40,000 | \$9,999 | \$13,333 | \$3,334 | \$278 | \$3,336 | \$278 |
| INFRASTRUCTURE | \$5,000 | \$373,522 | \$239,241 | \$183,566 | \$0 | \$0 | \$12,000 | \$1,000 |
| MECHANICAL/ELECTRICAL | \$2,500 | \$114,162 | \$62,352 | \$19,785 | \$0 | \$0 | \$6,000 | \$500 |
| PAINTING & WATERPROOFING | \$1,289 | \$88,286 | \$27,434 | \$35,589 | \$8,155 | \$680 | \$8,160 | \$680 |
| PAVEMENT | \$7,741 | \$1,510,483 | \$244,388 | \$760,483 | \$516,095 | \$43,008 | \$153,000 | \$12,750 |
| POOL | \$2,500 | \$232,029 | \$97,449 | \$71,710 | \$0 | \$0 | \$24,000 | \$2,000 |
| RECREATIONAL AMENITIES | \$2,000 | \$134,625 | \$18,857 | \$16,035 | \$0 | \$0 | \$6,000 | \$500 |
| ROOFS | \$2,500 | \$558,000 | \$136,596 | \$129,825 | \$0 | \$0 | \$18,000 | \$1,500 |
| SITE IMPROVEMENTS | \$1,500 | \$476,957 | \$11,707 | \$27,020 | \$15,313 | \$1,276 | \$18,000 | \$1,500 |
| TOTAL | \$33,905 | \$4,374,716 | \$982,123 | \$1,559,490 | \$724,014 | \$60,335 | \$315,216 | \$26,268 |

| | FULLY | PARTIAL |
|--------------------------------|----------|----------|
| MONTHLY FUNDING | \$60,335 | \$26,268 |
| MONTHLY FUNDING PER UNIT OWNER | \$176 | \$77 |