

## 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.	BUDGET 2025	ACTUAL YTD 8/31/2025	AVERAGE MONTHLY	BUDGET 2026	BUDGET 25 vs 2026
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**500 - GENERAL COMMON AREAS**

501 Electricity	190	1,416	177	4,695	4,505 4.3% increase over average + FPL \$45.0 monthly
502 Grounds Maint.	3,786	26,237	3,280	3,941	155% increases; 5% Allgreens & 2% ProGreen
503 Tree expense	633	7,600	950	998	365% projected
504 Sevier	48	316	40	41	-7
505 North wall, circle, main, bridge SW triangle irrigation	1,057	8,954	1,119	1,170	113% increase; 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	105	888	111	110	5
513 Landscape/Irrigation Expense	500	8,129	1,016	654	154 Mulch
<b>Total General Common</b>	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 Clbhs 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 Sevier	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	1,923	10,440	1,305	1,300	23
563 Other Expense	500	8,874	1,109	1,109	609
<b>Total Clubhouse</b>	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
<b>Total General</b>	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 RA - 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
<b>Total Payroll</b>	10,377	84,690	10,656	19,850	8,273
<b>Total General (payroll inclusive)</b>	18,437	170,489	21,380	26,205	7,768
<b>GRAND TOTAL EXPENSES</b>	34,623	314,456	36,559	48,511	13,888

2026 CONQUISTADOR HOMEOWNERS' ASSOC. MONTHLY BUDGET STUDY

	2025	2026
<b>GROSS EXPENSES</b>	34,623	48,511
Reserve For Flood Insurance	-4,565	-4,105
<b>NET EXPENSES</b>	30,058	44,406

**RESERVE FUNDING**

Reserve For Replacements	33,905	60,335
Reserve For Flood Insurance	160	160
<b>TOTAL EXPENSES AND RESERVES</b>	34,065	60,495

**INCOME**

Other Income	240	240
<b>NET INCOME/EXPENSE</b>	<b>63,883</b>	<b>104,661</b> 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
<b>TOTAL REVENUE</b>	<b>64,123</b>	<b>104,901</b> 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	ESTIMATED COST TO REPLACE	ESTIMATED FUND BALANCE 12/31/2025	TOTAL FULY ANNUAL FUNDING	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	\$124,625	\$18,857	\$16,035	\$0	\$0	\$6,000	\$500
ROOFS	\$2,500	\$558,000	\$126,596	\$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
<b>TOTAL</b>	<b>\$33,905</b>	<b>\$4,374,716</b>	<b>\$982,123</b>	<b>\$1,559,490</b>	<b>\$724,014</b>	<b>\$60,335</b>	<b>\$315,216</b>	<b>\$26,268</b>
							FULLY	PARTIAL
							\$60,335	\$26,268
							MONTHLY FUNDING PER UNIT OWNER	\$77