

THE CHARTER CLUB OF MARCO BEACH CONDOMINIUM ASSOCIATION, INC.

ANNUAL BUDGET FOR THE PERIOD

JANUARY 1, 2026 THROUGH DECEMBER 31, 2026

	4,080 Unit/Weeks	2026 Annual Budget	2026 Per Unit/ Week	2025 Per Unit/ Week	2025 Annual Budget
Description					
<u>OPERATING REVENUE</u>					
Association Fees		6,224,895	1,525.71	1,434.67	5,853,471
Other HOA Revenue		1,600	0.39	0.39	1,600
Late Fee Income		10,350	2.54	2.45	10,000
Interest Income		30,000	7.35	8.82	36,000
Sales Rent Income		42,000	10.29	11.03	45,000
Concession Income		28,900	7.08	7.08	28,900
Flex Reservation Fees		43,000	10.54	10.54	43,000
Other Revenue		1,200	0.29	0.15	600
OPERATING REVENUE TOTAL		6,381,945	1,564.20	1,475.14	6,018,571
<u>OPERATING EXPENSES</u>					
<u>Administrative</u>					
Annual Audit		7,752	1.90	1.79	7,300
Other Administrative Expenses		326,203	79.95	65.24	266,190
Postage, Printing, Newsletter		45,400	11.13	9.85	40,200
HOA Management Fee Expense		216,216	52.99	51.55	210,324
Division Fees		8,160	2.00	2.00	8,160
Financial Services Fees		69,504	17.04	16.57	67,608
Board Of Directors		25,000	6.13	2.94	12,000
Total		698,235	171.14	149.95	611,782
<u>Operations</u>					
Office, Desk		617,514	151.35	137.45	560,785
Housekeeping, Laundry, Supplies		1,018,236	249.57	225.97	921,951
Security Provisions		106,575	26.12	24.71	100,800
Grounds & Landscaping		150,921	36.99	34.92	142,490
Pool & Spa		100,450	24.62	24.62	100,450
Parking		0	0.00	0.00	0
Recreation		311,949	76.46	65.88	268,776
Store		0	0.00	0.00	0
Total		2,305,645	565.11	513.54	2,095,252
<u>Utilities</u>					
Electric		177,996	43.63	41.54	169,500
Water, Sewer, Gas		123,887	30.36	29.54	120,528
Waste Removal		44,004	10.79	10.33	42,162
Telephone		23,400	5.74	3.97	16,200
Other Expenses		0	0.00	0.00	0
Cable Television		79,560	19.50	18.82	76,800
WAN Expense		12,500	3.06	2.65	10,800
Total		461,347	113.08	106.86	435,990
<u>Building</u>					
Maintenance - Service, Equipment, Supplies		808,439	198.15	188.59	769,443
Building & Equipment Contracts		10,980	2.69	2.62	10,680
Elevator Contracts		69,996	17.16	17.16	69,996
Board Authorized Project		40,000	9.80	9.80	40,000
Total		929,415	227.80	218.17	890,119
<u>Insurance & Taxes</u>					
Insurance Premium Expense		1,868,928	458.07	458.07	1,868,928
Income Tax		91,375	22.40	21.94	89,500
¹ Tax on Timeshare Property (Ad Valorem Taxes)		n/a	n/a	n/a	n/a
Taxes Upon Leased Areas		n/a	n/a	n/a	n/a
Total		1,960,303	480.47	480.01	1,958,428
<u>Sale of Association Weeks</u>					
Sale of Association Weeks		26,000	6.37	6.37	26,000
Cost of Sales		(29,000)	(7.11)	(7.11)	(29,000)
Total		(3,000)	(0.74)	(0.74)	(3,000)
OPERATING EXPENSES TOTAL		6,351,945	1,556.85	1,467.79	5,988,571
OPER. SURPLUS/(DEFICIT)		30,000	7.35	7.35	30,000

¹ Ad Valorem Taxes on individual weeks are billed by the Collier County Property Appraiser's office based on the relative value of the unit week and therefore, are not reflected in the above operating budget.

	Statutory Reserve Funding		2025 Per Unit/ Week	2025 Annual Budget	With Owner Waiver of Statutory Reserve Funding	
	2026 Annual Budget	2026 Per Unit/ Week			2026 Annual Budget	2026 Per Unit/ Week
RESERVE REVENUE						
RESERVE REVENUE TOTAL	2,154,378	528.03	280.57	1,144,734	1,646,531	403.56
RESERVE CONTRIBUTIONS						
Capital Reserves:						
Structural Components (SIRS)						
Roof	40,526	9.93	5.01	20,431	38,700	9.49
Capital Improvements	304,727	74.69	0.00	0	300,589	73.67
Total	345,253	84.62	5.01	20,431	339,289	83.16
Painting Reserve	59,548	14.60	25.96	105,916	77,500	19.00
Total	59,548	14.60	25.96	105,916	77,500	19.00
Other Components (Non-SIRS)						
Interior	1,063,761	260.73	154.67	631,043	863,286	211.59
Paving	113,870	27.91	13.64	55,652	48,005	11.77
Capital Improvements	551,477	135.17	73.10	298,240	286,362	70.19
Recreation	20,469	135.17	8.20	33,452	32,089	7.86
Total	1,749,577	558.97	249.60	1,018,387	1,229,742	301.41
RESERVE CONTRIBUTIONS TOTAL	2,154,378	528.03	280.57	1,144,734	1,646,531	403.56
RESERVE SURPLUS/(DEFICIT)	0	0.00	0.00	0	0	0.00

	Statutory Reserve Funding		2025 Per Unit/ Week	2025 Annual Budget	With Owner Waiver of Statutory Reserve Funding	
	2026 Annual Budget	2026 Per Unit/ Week			2026 Annual Budget	2026 Per Unit/ Week
Summary						
Operating Fee	6,224,895	1,525.71	1,434.67	5,853,471	6,224,895	1,525.71
Capital Reserve Contribution (SIRS)	345,253	84.62	5.01	20,431	339,289	83.16
Painting Reserve Contribution (SIRS)	59,548	14.60	25.96	105,916	77,500	19.00
Capital Reserve Contribution (Non-SIRS)	1,749,577	428.82	249.60	1,018,387	1,229,742	301.41
Special Assessment	0	0.00	0.00	0	0	0.00
NET BEFORE CREDITS	8,379,273	2,053.74	1,715.25	6,998,205	7,871,426	1,929.27
CREDITS						
Painting Reserve Refund	0	0.00	0.00	0	0	0.00
Oper. Surplus Refund	0	0.00	0.00	0	0	0.00
TOTAL CREDITS	0	0.00	0.00	0	0	0.00
TOTAL AMOUNT BILLED	8,379,273	2,053.74	1,715.25	6,998,205	7,871,426	1,929.27

RESERVE ANALYSIS FOR THE PERIOD
JANUARY 1, 2026 THROUGH DECEMBER 31, 2026

	4,080 Unit/Weeks	Average Estimated Useful as of 1/1/2026 Life (in years)	Estimated Remaining Life (in years) as of 1/1/26	Estimated Replacement Cost as of 1/1/26	2026 Statutory Reserve Funding	(A) Estimated Fund Balance at 1/1/26	2026 Proposed Reserve Assessment	2026 Projected Expenses	Estimated Fund Balance 12/31/2026
Replacement Fund									
Structural Components (SIRS)									
Roof		20.16	18.60	780,000	40,526	26,349	38,700	0	65,049
Waterproofing and Exterior Painting		10.00	18.60	775,000	59,548	390,822	77,500	0	468,322
Capital Improvements (SIRS)		12.33	6.45	3,204,217	304,727	800,000	300,589	102,237	998,352
				4,759,217	404,801	1,217,171	416,789	102,237	1,531,723
Other Components (Non-SIRS)									
Interior		17.66	7.78	10,204,440	1,063,761	1,925,799	863,286	449,000	2,340,085
Paving		10.73	1.21	340,000	113,870	202,401	48,005	235,000	15,406
Capital Improvements (Non-SIRS)		16.60	7.23	4,753,900	551,477	764,000	286,362	926,800	123,562
Recreation		6.07	3.09	194,890	20,469	131,650	32,089	80,000	83,739
				15,493,230	1,749,577	3,023,850	1,229,742	1,690,800	2,562,792
TOTAL				20,252,447	2,154,378	4,241,021	1,646,531	1,793,037	4,094,515

(A) Allocate based on % of estimated replacement cost

	2026 Statutory Reserve Funding	2026 Proposed Reserve Funding	
Operating Fee	\$1,525.71	\$1,525.71	** The State of Florida mandates that condominium associations prepare calculations to fully fund reserves. The Law also provides the reserve requirement for Non-SIRS may be waived or reduced, allowing the unit owners to put less money into the reserve accounts. To meet fully funded requirements for both SIRS and NON-SIRS reserves, the resulting annual maintenance fee would be \$2,053.74. The Board of Directors recommends a vote in favor of waiving the statutory Non-SIRS funding requirements which will occur at the annual meeting, thereby establishing the maintenance fee at \$1,929.27 for the 2026 budget year.
Capital Reserve (SIRS)	\$84.62	\$83.16	
Painting Reserve (SIRS)	\$14.60	\$19.00	
Capital Reserve (Non-SIRS)	\$428.82	\$301.41	
Special Assessment	\$0.00	\$0.00	
Total Amount Billed	\$2,053.74	\$1,929.27	
Painting Reserve Refund	\$0.00	\$0.00	
Operating Surplus Refund	\$0.00	\$0.00	
TOTAL AMOUNT BILLED	\$2,053.74	\$1,929.27	

NOTE:

There may be some items that require future replacement and are not reserved for, i.e.: replacement of plumbing, railings, electrical wiring, etcetera. These types of items will need to be paid from operating funds or will require a special assessment.

The components' actual replacement costs and useful lives may vary from the estimated amounts. If additional funds are needed, the Association has the right, subject to Board approval, to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

There are 4,080 periods of 7-day annual use availability that exist within the timeshare plan for which annual fees are required to be paid to the Division of Florida Condominiums, Timeshares, and Mobile Homes, Bureau of Standards and Registration in accordance with Section 721.27, Florida Statutes.