CIELO ON THE BAY CONDOMINIUM ASSOCIATION

Jan. 21, 2026

Re: Cielo on the Bay Condominium 2026 Proposed Annual Budget

Enclosed you will find the proposed 2026 Annual Budget for Cielo on the Bay Condominium Association, Inc., (the "Association"). The budget was prepared via joint efforts of your Association's Board of Directors and Castle Management Team. For 2026, the proposed overall budget is being **increased by 1%**. The increase key drivers are;

1. Florida's SIRS (Structural Integrity Reserve Study) law stipulates statutory reserve funding levels which cannot be waived or pooled. These adjustments are necessary to ensure compliance with mandates and to safeguard our Building and Association against future physical and financial risk. As a result, we have increased our reserve contribution by 20% over last year.

2. A new insurance appraisal for the property was conducted in 2025. This assessment of our building's condition led to a revision of the insurance requirements, reflecting the updated market conditions and replacement costs for the property. Consequently, the improvements we have made in 2024 and 2025 has enabled us to realize a **reduction of 16.5%** of our 2026 insurance premiums.

We understand the slight increase in maintenance will be welcomed, but the board and myself want to also remind the Association membership that the SIRS funding requirements will become a driving factor of future year budgets. Our team will always carefully review all other aspects of the budget to maintain fiscal responsibility while complying with this new regulatory requirement.

The 2026 Budget Adoption Meeting is scheduled to be held on **Tuesday, Feb.10, 2026 at 6:30p.m., in the Cielo Community Room on the pool level and via Zoom.** Pertinent meeting information can be found enclosed within the packet.

I look forward to discussing this matter in greater detail during the meeting. Should you have any questions or require additional information beforehand, please do not hesitate to contact me.

Thank you for your attention to this important matter.

Sincerely,

Deborah Dunson

For the Board of Directors of Cielo Condominium Association, Inc.

Cielo On The Bay Condominium Association, Inc.
Proposed Budget for the Period
January 1, 2026 through December 31, 2026

GL	Description	2025 Approved Partial Reserves (50%)	2026 Proposed Budget with Partial Reserves (20%)	2026 Proposed Budget with Full Reserves (100%)	Variance Compared to Prior Budget
	Revenue				
400100	Residential Maintenance Assessments	781,612	$775,242.78	$775,242.78	6,369
400125	Reserve Transfer	132,761	$198,036.00	$311,292.00	(178,532)
400301	Transfer Rent/Resale fees	0	$0.00	$0.00	0
400302	Application Fees	500	$500.00	$500.00	0
400306	Key / Fob Income	500	$500.00	$500.00	0
400400	Late Fees	1,200	$1,200.00	$1,200.00	0
400710	Pet Fee Income	500	$500.00	$500.00	0
401120	Bank Interest Income	40	$40.00	$40.00	0
420900	Miscellaneous Income	1,000	$1,000.00	$1,000.00	0
400303	Electrical Cars	720	$720.00	$720.00	0
	Total Revenue	**$918,832.65**	**$977,738.78**	**$1,090,994.78**	(172,162)
	Labor				
555100	Payroll Combined	281,854	$284,885.25	$284,885.25	(3,031)
	Total Management Labor	**$281,854.00**	**$284,885.25**	**$284,885.25**	(3,031)
	Insurance				
510100	Insurance	242,243	$214,230.54	$214,230.54	28,013
	Total Insurance	**$242,243.15**	**$214,230.54**	**$214,230.54**	**28,013**
	Administrative Expenses				
540113	License, Permits, Fees & Taxes	750	$1,000.00	$1,000.00	(250)
520115	Postage, Mailings, Other	800	$800.00	$800.00	0
520119	Office Expense/Equipment	2,000	$3,000.00	$3,000.00	(1,000)
520122	Bank Charges	100	$100.00	$100.00	0
520910	Background / Credit Check	800	$800.00	$800.00	0
530100	Accounting fees	6,500	$6,500.00	$6,500.00	0
530116	Professional Fees	3,000	$2,000.00	$2,000.00	1,000
530110	Legal Fees	6,000	$6,000.00	$6,000.00	0
540114	Pool Permits & Inspections	600	$620.00	$620.00	(20)
540130	Fire Permits & Inspections	3,500	$3,600.00	$3,600.00	(100)
54013[illegible]	Elevators Permits & Inspections	1,450	$1,450.00	$1,450.00	0
540140	Corporal Annual Report Fees	144	$144.00	$144.00	0
	Total Administrative Expenses	**$25,644.00**	**$26,014.00**	**$26,014.00**	(370)
	Contract Services				
712555	Pool/Spa Maintenance	6,900	$6,900.00	$6,900.00	0

Cielo On The Bay Condominium Association, Inc.
Proposed Budget for the Period
January 1, 2026 through December 31, 2026

GL	Description	2025 Approved Partial Reserves (50%)	2026 Proposed Budget with Partial Reserves (20%)	2026 Proposed Budget with Full Reserves (100%)	Variance Compared to Prior Budget
700100	Landscape Maintenance	10,920	$11,248.00	$11,248.00	(328)
702050	Generator Maintenance	2,800	$2,890.00	$2,890.00	(90)
706010	Fire Sprinkler System	2,150	$2,260.00	$2,260.00	(110)
702048	Air Conditioning Maintenance Contract	1,800	$2,000.00	$2,000.00	(200)
707050	Odor Control	2,784	$0.00	$0.00	2,784
785050	Pest Control	2,200	$2,200.00	$2,200.00	0
600000	Management Services	30,763	$31,993.00	$31,993.00	(1,230)
702097	Trash Chute maintenance contract	800	$0.00	$0.00	800
704137	Building Link	2,300	$2,300.00	$2,300.00	0
784050	Security	7,000	$10,000.00	$10,000.00	(3,000)
	Total Contract Services	**$85,781.00**	**$87,918.00**	**$87,918.00**	(2,137)
	Supplies and Repairs				
700120	Landscape extras	4,000	$6,000.00	$6,000.00	(2,000)
702005	Marble	1,100	$1,100.00	$1,100.00	0
702011	Equip / Pool ADA / Elevator	1,300	$1,300.00	$1,300.00	0
702014	Janitorial Supplies	1,000	$1,100.00	$1,100.00	(100)
702016	Security Cameras System	1,000	$1,000.00	$1,000.00	0
702019	Concrete Repair	4,000	$4,000.00	$4,000.00	0
702025	Paint	250	$500.00	$500.00	(250)
702040	Elevator	3,000	$3,000.00	$3,000.00	0
702060	Generator Repairs	1,200	$1,500.00	$1,500.00	(300)
702061	Supplies	1,250	$1,500.00	$1,500.00	(250)
702064	Equipment	500	$1,000.00	$1,000.00	(500)
702065	Equipment Repairs	5,000	$5,000.00	$5,000.00	0
702072	Plumbing Supplies & Repairs	1,000	$1,500.00	$1,500.00	(500)
702076	AC Repairs	3,500	$3,500.00	$3,500.00	0
702080	Lightbulbs	800	$800.00	$800.00	0
702091	Electrical	2,500	$2,500.00	$2,500.00	0
702092	Garbage / Trash	2,200	$2,200.00	$2,200.00	0
702110	Signage	500	$500.00	$500.00	0
702114	Locks	2,000	$1,000.00	$1,000.00	1,000
702145	Window Cleaning	2,500	$2,575.00	$2,575.00	(75)
702201	Safety Equipment	800	$800.00	$800.00	0
702404	Paint Supplies	150	$500.00	$500.00	(350)
704135	Security & Entry System	1,200	$1,200.00	$1,200.00	0
704220	Garage Gate Repairs	800	$800.00	$800.00	0
705044	Domestic Water Pump	500	$500.00	$500.00	0
706020	Fire Sprinklers Repair	1,500	$1,500.00	$1,500.00	0
706031	Fire System	2,500	$2,500.00	$2,500.00	0
712510	Pool/Spa Supplies & Repairs	1,500	$1,500.00	$1,500.00	0

Cielo On The Bay Condominium Association, Inc.
Proposed Budget for the Period
January 1, 2026 through December 31, 2026

GL	Description	2025 Approved Partial Reserves (50%)	2026 Proposed Budget with Partial Reserves (20%)	2026 Proposed Budget with Full Reserves (100%)	Variance Compared to Prior Budget
712640	Outside Ligthing Fixture	1,000	$1,000.00	$1,000.00	0
713412	Gym Fitness Equipment	800	$800.00	$800.00	0
720515	Dock Repair / Replacement	500	$500.00	$500.00	0
	Total Supplies & Repair	**$49,850.00**	**$53,175.00**	**$53,175.00**	(3,325)
	Utilities				
705010	Electricity	26,000	$26,780.00	$26,780.00	(780)
705030	Water/Sewer	65,000	$77,000.00	$77,000.00	(12,000)
705060	Waste Removal	4,200	$4,200.00	$4,200.00	0
705070	Telephones	5,000	$5,000.00	$5,000.00	0
705080	Gas / Fuel	500	$500.00	$500.00	0
	Total Utilities	**$100,700.00**	**$113,480.00**	**$113,480.00**	(12,780)
	Total Expenses without Reserves	**$786,072.15**	**$779,702.78**	**$779,702.78**	**6,369**
	Reserves				
900100	General Reserves	132,761	$28,314.00	$141,570.00	(8,810)
540117	SIRS Reserves	0	$169,722.00	$169,722.00	(169,722)
	Total Reserves	**$132,760.50**	**$198,036.00**	**$311,292.00**	(8,810)
	Total Expenses with Reserves	**$918,832.65**	**$977,738.78**	**$1,090,994.78**	(2,440)
	Net Income/(Loss)	**0**	**0**	**0**	(169,722)

Signature

Name John Garcea

Title Treasurer

Date Feb. 10, 2026

Cielo On The Bay
Proposed Fee Schedule for the Period
January 1, 2026 through December 31, 2026
36 Units

Unit Type	Unit(s)	Unit Sq. Ft.	% of Total Sq. Ft.	Budget (No Reserves) Annual $ 775,242.78 Monthly Fee By unit	Budget Annual Fee By unit	Proposed 2026 Fee Schedule Budget (With 20% Reserves) Annual $ 977,738.78 Monthly Fee By unit	Proposed 2026 (20%) Annual Fee By unit	Proposed 2026 Fee Schedule Budget (With 100% Reserves) Annual $ 1,090,994.78 Monthly Fee By unit	Proposed 2026 (100%) Annual Fee By unit
A	401	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
B	402	1,954	2.8723%	$ 1,855.64	$ 22,267.66	$ 2,340.34	$ 28,084.05	$ 2,611.43	$ 31,337.15
C	403	1,884	2.7694%	$ 1,789.16	$ 21,469.94	$ 2,256.50	$ 27,077.97	$ 2,517.88	$ 30,214.53
D	404	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	501	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
D	504	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	601	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
B	602	1,954	2.8723%	$ 1,855.64	$ 22,267.66	$ 2,340.34	$ 28,084.05	$ 2,611.43	$ 31,337.15
C	603	1,884	2.7694%	$ 1,789.16	$ 21,469.94	$ 2,256.50	$ 27,077.97	$ 2,517.88	$ 30,214.53
D	604	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	701	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
D	704	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	801	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
B	802	1,954	2.8723%	$ 1,855.64	$ 22,267.66	$ 2,340.34	$ 28,084.05	$ 2,611.43	$ 31,337.15
C	803	1,884	2.7694%	$ 1,789.16	$ 21,469.94	$ 2,256.50	$ 27,077.97	$ 2,517.88	$ 30,214.53
D	804	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	901	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
D	904	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	1001	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
B	1002	1,954	2.8723%	$ 1,855.64	$ 22,267.66	$ 2,340.34	$ 28,084.05	$ 2,611.43	$ 31,337.15
C	1003	1,884	2.7694%	$ 1,789.16	$ 21,469.94	$ 2,256.50	$ 27,077.97	$ 2,517.88	$ 30,214.53
D	1004	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	1101	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
D	1104	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	1201	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
B	1202	1,954	2.8723%	$ 1,855.64	$ 22,267.66	$ 2,340.34	$ 28,084.05	$ 2,611.43	$ 31,337.15
C	1203	1,884	2.7694%	$ 1,789.16	$ 21,469.94	$ 2,256.50	$ 27,077.97	$ 2,517.88	$ 30,214.53
D	1204	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	1401	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
D	1404	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	1501	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
B	PH02	1,954	2.8723%	$ 1,855.64	$ 22,267.66	$ 2,340.34	$ 28,084.05	$ 2,611.43	$ 31,337.15
C	PH03	1,884	2.7694%	$ 1,789.16	$ 21,469.94	$ 2,256.50	$ 27,077.97	$ 2,517.88	$ 30,214.53
D	1504	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
A	PH01	1,910	2.8077%	$ 1,813.85	$ 21,766.24	$ 2,287.64	$ 27,451.65	$ 2,552.63	$ 30,631.50
D	PH04	1,840	2.7048%	$ 1,747.38	$ 20,968.52	$ 2,203.80	$ 26,445.57	$ 2,459.07	$ 29,508.88
		68,028	**100.00%**	**$ 64,603.56**	**$ 775,242.78**	**$ 81,478.23**	**$ 977,738.78**	**$ 90,916.23**	**$ 1,090,994.78**

$ 977,738.78

Signature

Name

Title