Annual operating budget

Jurisdiction: Florida. **Applies to:** homeowners' associations under ch. 720, condominium associations under ch. 718, and cooperatives under ch. 719.

A Florida association budget has two halves that are almost never given equal care. The first is the operating schedule, the list of expense accounts and the numbers next to them. Boards and managers build that half well, and this template takes its structure and its account names from 722 real Florida association budgets rather than inventing a chart of accounts. The second half is the reserve schedule and the funding decision attached to it. That half is where the statute actually imposes requirements, where a waiver either happened correctly or did not happen at all, and where a budget that looked fine becomes the reason for a special assessment nobody voted on. In the corpus, 71 percent of budgets carry a reserve line and 5 percent show the reserve schedule that the line is supposed to be computed from.

This template builds both halves as one document, plus the notice, the adoption record, and the per-unit assessment math that turns a budget into the number an owner actually pays.

Fill-in fields appear in square brackets. Delete the guidance boxes marked "Builder note" before you circulate the budget.

Disclaimer

This is a starting point, not accounting, tax, or legal advice. Your association's own governing documents and its accountant govern: the declaration, bylaws, and articles control how expenses are allocated and what the association is responsible for, and they may require more than the statute does. Where they are stricter, they govern. The numbers, thresholds, and vote standards here were read from the Florida statutes on 19 August 2026, and chs. 718, 719, and 720 are amended nearly every legislative session, so re-verify every figure before you rely on it. The reserve threshold in particular is adjusted for inflation each year by the division and is not a fixed number. Have a CPA and the association's counsel review this budget before the board adopts it.

> **Builder note.** Keep this paragraph as the disclaimer of record for this template. It is the text that populates the template's disclaimer field, so edit it here rather than writing a second version somewhere else in the document.

Where this template comes from

Two sources, held apart on purpose.

Structure and account names come from the corpus. 1,225 association budget documents, all Florida, from 336 organizations. 879 of those have machine-readable text, and the analysis pool used here is the 722 documents with more than 1,200 characters of text, drawn from 237 organizations across 198 separate web domains. That domain spread matters: these are overwhelmingly individual association websites rather than one management company's document portal, so the account names below are an industry pattern rather than one firm's house chart of accounts. Every frequency stated in this document is a measured share of those 722 documents.

Requirements come from the statute. Every threshold, deadline, vote standard, and mandatory disclosure was read from the statute text, not from the corpus and not from general accounting practice. Where the two disagree, section 14 says so explicitly and the statute wins.

The corpus proposes. The statute disposes.

How to use this template

1. **Set the chapter in section 1 before you edit anything else.** The reserve regime, the waiver vote standard, and the notice rules all differ by chapter, and the differences are not cosmetic. A condominium budget built on the homeowners' association reserve rules is wrong on the single most consequential page.
2. **Build the operating schedule in sections 4 and 5.** Delete the accounts that do not apply. Do not delete a group heading and leave its accounts loose.
3. **Build the reserve schedule in section 7 before you finalize section 5.** The reserve contribution is an output of the component table, not a number you pick and then justify.
4. **Run the 115 percent test in section 3.3 if this is a condominium, or section 3.4 if this is a cooperative.** The two chapters set different exclusions and different consequences, and neither applies to a homeowners' association. For a condominium a yes answer means you owe a substitute budget at the same meeting, and you owe it 14 days ahead. For a cooperative it means you owe nothing unless 10 percent of the voting interests apply for a special meeting, at which point a 30-day clock starts.
5. **Do the per-unit math in section 9 and check that it reconciles.** Total assessment revenue divided across the ownership shares must land back on the total in section 4.
6. **Send the notice in section 11, then complete the affidavit.** For a condominium or a cooperative the proposed budget itself travels with the notice, not just the announcement of the meeting.
7. **Complete the adoption record in section 12 at the meeting**, not afterward from memory.

1. Budget identification and chapter selection

Field	Entry
Association legal name	`[LEGAL NAME AS FILED WITH THE DIVISION OF CORPORATIONS]`
Association type	`[HOMEOWNERS' ASSOCIATION, CH. 720 / CONDOMINIUM ASSOCIATION, CH. 718 / COOPERATIVE, CH. 719]`
Multicondominium	`[YES, NUMBER OF CONDOMINIUMS: ___ / NO / NOT APPLICABLE]`
Fiscal year covered	`[MONTH DD, YYYY]` through `[MONTH DD,`

Field	Entry
	YYYY]
Budget status	[PROPOSED / SUBSTITUTE / ADOPTED]
Basis of accounting	[CASH / ACCRUAL / MODIFIED ACCRUAL]
Total units or parcels subject to assessment	[NUMBER]
Assessment frequency	[MONTHLY / QUARTERLY / SEMI-ANNUAL / ANNUAL]
Prepared by	[NAME, TITLE OR ROLE]
Date prepared	[MONTH DD, YYYY]
Reserve regime, from section 2	[STATUTORY / MEMBER-ESTABLISHED / NON-STATUTORY / NONE]
Structural integrity reserve study required	[YES / NO / NOT APPLICABLE]
Most recent reserve study date	[MONTH DD, YYYY / NONE]

Builder note. Three of these fields are load-bearing and are the ones most often left blank. The unit count is what makes the per-unit schedule in section 9 checkable by an owner. The reserve regime decides whether section 8 is a real vote with a real threshold or does not apply at all. The basis of accounting decides what several lines in this budget even mean: the bad debt line at account 5090, the insurance proceeds and claim recoveries line at account 4500, and the applied surplus at line E of section 9.2 all assume accrual or modified accrual, so on a cash-basis budget delete them or relabel them as cash actually received and cash actually written off.

State the basis on the face of the circulated budget, not only in this table. The same operating schedule produces a different number on each basis: accrual recognizes an assessment when it is levied and an expense when it is incurred, cash recognizes both when money moves, and modified accrual, which is the most common practice in Florida association bookkeeping, records revenue on the accrual basis and some or all expenses on the cash basis. An owner comparing this budget to the association’s financial statements cannot reconcile the two without knowing which one is in front of them, and a budget adopted on one basis and reported on another is the most common source of an unexplained variance.

1.1 Fiscal year conventions in the corpus

Fiscal year start	Share of budgets
January 1, calendar year	29%
October 1, aligning to the local tax year	11%
Some other start month	10%

Fiscal year start	Share of budgets
Not stated in readable form	remainder

Calendar year is the plurality but not the norm, and community development district budgets in the same corpus skew heavily to October. Do not assume a January start when you inherit a budget.

2. Which reserve regime you are on

This is the most important page in the document. Answer it first, because everything in sections 7 and 8 depends on it.

If the association is	The reserve regime is	Authority
A condominium under ch. 718	**Statutory and mandatory.** The budget must include reserve accounts for capital expenditures and deferred maintenance. Roof replacement, building painting, and pavement resurfacing are required regardless of cost, plus any other item whose deferred maintenance expense or replacement cost exceeds the threshold in section 7.1	§ 718.112(2)(f)2.a., Fla. Stat.
A cooperative under ch. 719	**Statutory and mandatory**, on the same terms as a condominium	§ 719.106(1)(j)2.a., Fla. Stat.
A homeowners’ association under ch. 720 whose members have voted to establish reserves under § 720.303(6)(d)	**Member-established and then statutory.** Once established this way, reserves must be determined, maintained, and waived in the manner § 720.303(6) provides, in that budget year and every year after	§ 720.303(6)(b) and (d), Fla. Stat.
A homeowners’ association under ch. 720 that budgets for deferred expenditures without a § 720.303(6)(d) vote	**Non-statutory.** These are voluntary deferred expenditure accounts. They are not subject to the statute’s restrictions on	§ 720.303(6)(b) and (c)2., Fla. Stat.

If the association is	The reserve regime is	Authority
	use, and they are not calculated under the statutory formula. A specific conspicuous-type disclosure is triggered	
A homeowners' association under ch. 720 with no reserve or deferred expenditure accounts at all	**None**, and a different conspicuous-type disclosure is triggered	§ 720.303(6)(c)1., Fla. Stat.

Three consequences that follow from the row you picked, and that boards routinely get backwards.

- **For a homeowners' association, reserves are permissive until the members make them mandatory.** § 720.303(6)(b), Fla. Stat. says the budget *may* include reserve accounts. Nothing in ch. 720 compels a homeowners' association to fund reserves the way ch. 718 compels a condominium. What ch. 720 compels instead is disclosure, and the two statements in section 8.4 are not optional.
- **The homeowners' association reserve decision is a one-way door.** § 720.303(6)(b), Fla. Stat. provides that once an association provides for reserve accounts under paragraph (d), it must thereafter determine, maintain, and waive reserves in compliance with that subsection. The escape is not "stop funding them"; it is termination of the account on approval of a majority of the total voting interests, at which point the account comes out of the budget.
- **Developer control changes who may waive.** Before turnover, a developer-controlled condominium or cooperative association may not vote to waive or reduce reserve funding at all, per § 718.112(2)(f)2.f. and § 719.106(1)(j)2.b., Fla. Stat. In a homeowners' association a developer in control may, but is not required to, include reserves and may set the amount, per § 720.303(6)(i)1., Fla. Stat.

3. Budget calendar, notice, and the 115 percent test

3.1 Deadlines

Requirement	Condominium	Cooperative	Homeowners' association
Notice of the budget meeting	At least 14 days before, hand delivered, mailed to the last address furnished, or electronically transmitted to the address furnished for that purpose, **together with a copy of the**	At least 14 days before, with copies of the proposed budget	Statutory board-meeting notice applies; the budget copy obligation is separate, see below

Requirement	Condominium	Cooperative	Homeowners' association
	proposed annual budget		
Affidavit of compliance with that notice	Required, executed by an officer, manager, or other person giving notice, and filed among the official records	Required	Not specified in § 720.303(6)
Board adoption deadline	At least 14 days before the start of the fiscal year	At least 14 days before the start of the fiscal year	Not specified in § 720.303(6)
Delivery of the adopted budget to owners	Governed by the notice and records provisions of ch. 718	Governed by ch. 719	A copy of the annual budget, **or** a written notice that a copy is available on request at no charge, provided to each member within the time limits of § 720.303(5)
Authority	§ 718.112(2)(e)1. and (2)(f)1., Fla. Stat.	§ 719.106(1)(e)1. and (1)(j)1., Fla. Stat.	§ 720.303(6)(a), Fla. Stat.

Two details worth pulling out of that table.

- **The budget travels with the notice.** For condominiums, § 718.112(2)(e)1., Fla. Stat. requires the notice and a copy of the proposed annual budget to be delivered together, 14 days out. A notice that announces a budget meeting without the budget attached does not satisfy the statute, however clearly it is worded.
- **Missing the adoption deadline twice is a named violation with a named consequence.** Under § 718.112(2)(f)1. and § 719.106(1)(j)1., Fla. Stat., if the board fails to timely adopt the annual budget a second time it is deemed a minor violation, and the prior year's budget continues in effect until a new budget is adopted. The association does not become unfunded; it becomes stuck on last year's numbers, which is usually worse.

3.2 Budget calendar worksheet

Milestone	Target date	Responsible	Done
Reserve study obtained or updated	[DATE]	[NAME]	☐
Insurance renewal	[DATE]	[NAME]	☐

Milestone	Target date	Responsible	Done
quotes received			
Contract renewals and vendor increases confirmed	[DATE]	[NAME]	☐
Draft operating schedule complete	[DATE]	[NAME]	☐
Reserve schedule complete, section 7	[DATE]	[NAME]	☐
115 percent test run: section 3.3 for a condominium, section 3.4 for a cooperative, not applicable to a homeowners' association	[DATE]	[NAME]	☐
Substitute budget prepared, if triggered. Condominium: mandatory and simultaneous. Cooperative: only on written application of 10 percent of the voting interests	[DATE]	[NAME]	☐
Cooperative only: special meeting called within 30 days of a qualifying application, on not less than 10 days' notice	[DATE]	[NAME]	☐
Notice and proposed budget delivered, 14 days out	[DATE]	[NAME]	☐
Affidavit of notice executed and filed	[DATE]	[NAME]	☐
Budget meeting held	[DATE]	[NAME]	☐

Milestone	Target date	Responsible	Done
Budget adopted, at least 14 days before fiscal year start	[DATE]	[NAME]	☐
Adopted budget distributed or availability noticed	[DATE]	[NAME]	☐
Reserve waiver vote conducted, if any, section 8	[DATE]	[NAME]	☐

3.3 The 115 percent test (condominium)

Run this before the budget meeting, not at it.

Step	Calculation	Amount
A	Total assessments against unit owners in the proposed budget	$[ ]
B	Less: authorized provision for required reserves for repair or replacement of the condominium property	$[ ]
C	Less: anticipated expenses the board does not expect to incur on a regular or annual basis for repair, maintenance, or replacement of the structural integrity reserve study items in § 718.112(2)(g)	$[ ]
D	Less: insurance premiums	$[ ]
E	Adjusted proposed assessments (A minus B, C, and D)	$[ ]
F	Same adjustment applied to the prior fiscal year's assessments	$[ ]
G	E divided by F, as a percentage	[ ]%

If G exceeds 115 percent, § 718.112(2)(e)2.a., Fla. Stat. requires the board to **simultaneously propose a substitute budget** that excludes discretionary expenditures not required to be in the budget. The substitute must be proposed at the budget meeting before the annual budget is adopted, and the meeting notice for it runs 14 days with its own affidavit. Unit owners consider the substitute and may adopt it by a majority of all voting interests unless the bylaws set a higher percentage. If no substitute is adopted, the board's originally proposed budget may be adopted.

The exclusions in rows B, C, and D come from § 718.112(2)(e)2.b., Fla. Stat., and they are the reason this test is run on a worksheet rather than in someone's head. Reserves, irregular structural work, and insurance are precisely the lines that spike, and precisely the lines the statute takes out of the test.

If the developer controls the board, § 718.112(2)(e)2.c., Fla. Stat. is stricter still: assessments may not exceed 115 percent of the prior year at all unless approved by a majority of all voting interests.

Only 1 percent of budgets in the corpus mention the 115 percent rule anywhere in their text. That is not evidence the rule is rare. It is evidence that the test is run, when it is run at all, somewhere the owners never see.

3.4 The 115 percent regime (cooperative)

A cooperative has a 115 percent rule too, and it is not the condominium rule. Do not run section 3.3 on a cooperative budget and do not assume a substitute budget is owed. The authority is § 719.106(1)(e)2. through 4., Fla. Stat.

Step	Calculation	Amount
A	Total assessments against unit owners in the adopted budget	$[ ]
B	Less: authorized provisions for reasonable reserves for repair or replacement of the cooperative property	$[ ]
C	Less: anticipated expenses of the association not anticipated to be incurred on a regular or annual basis	$[ ]
D	Less: insurance premiums	$[ ]
E	Less: assessments for betterments to the cooperative property	$[ ]
F	Adjusted assessments (A minus B, C, D, and E)	$[ ]
G	Same adjustment applied to the prior fiscal or calendar year's assessments	$[ ]

Step	Calculation	Amount
H	F divided by G, as a percentage	[ ]%

Four differences from the condominium rule, each of which changes what the board has to do.

- **The exclusion list is longer.** § 719.106(1)(e)4., Fla. Stat. excludes reserves, irregular expenses, insurance premiums, **and assessments for betterments to the cooperative property**. Row E has no condominium counterpart. § 719.106(1)(e)4. also states the irregular-expense exclusion generally, without the condominium's tie to the structural integrity reserve study items, so do not import the § 718.112(2)(g) list into row C.
- **There is no mandatory simultaneous substitute budget.** The condominium board must propose one at the budget meeting under § 718.112(2)(e)2.a., Fla. Stat. The cooperative board is not required to propose anything. What § 719.106(1)(e)2. requires instead is that the board, **on written application of 10 percent of the voting interests**, call a special meeting of the unit owners **within 30 days, on not less than 10 days' written notice** to each unit owner.
- **The owners enact the budget at that special meeting, by a majority of all the voting interests** unless the bylaws require a larger vote. § 719.106(1)(e)2., Fla. Stat.
- **If nothing happens, the board's budget stands.** § 719.106(1)(e)3., Fla. Stat. provides that where a meeting of the unit owners has been called and a quorum is not attained, or no substitute budget is adopted, the budget adopted by the board goes into effect as scheduled. The board may also propose its budget to the unit owners at a meeting or in writing, and it is adopted if approved at the meeting or by a majority of all voting interests in writing.

The developer-control limit is the same in substance as the condominium's: while the developer controls the board, § 719.106(1)(e)4., Fla. Stat. bars an assessment for any year greater than 115 percent of the prior year's without approval of a majority of all voting interests.

Field	Entry
Result of the H calculation above	[ ]%
Written application from 10 percent of voting interests received	[YES, DATE: ___ / NO]
Special meeting called within 30 days	[DATE CALLED / NOT APPLICABLE]
Notice sent, at least 10 days before	[DATE / NOT APPLICABLE]
Quorum attained at the special meeting	[YES / NO / NOT APPLICABLE]
Budget enacted by the unit owners	[YES, BY ___ OF ___ VOTING INTERESTS / NO, BOARD BUDGET IN EFFECT AS SCHEDULED]

4. Income schedule

Enter the prior year for comparison. 26 percent of corpus budgets carry a prior-year column and 34 percent carry an actual or year-to-date column. Both are worth keeping: the prior-year column is what makes an increase visible, and the actual column is what makes an estimate defensible.

Account	Description	Prior year budget	Current year actual or estimate	Proposed budget
[4000]	Assessments, operating	$[ ]	$[ ]	$[ ]
[4010]	Assessments, reserves	$[ ]	$[ ]	$[ ]
[4020]	Assessments, limited common elements or sub-association	$[ ]	$[ ]	$[ ]
[4100]	Late fees and interest on delinquent accounts	$[ ]	$[ ]	$[ ]
[4110]	Collection and lien cost recovery	$[ ]	$[ ]	$[ ]
[4200]	Application, transfer, and screening fees	$[ ]	$[ ]	$[ ]
[4210]	Estoppel fees	$[ ]	$[ ]	$[ ]
[4220]	Architectural review application fees	$[ ]	$[ ]	$[ ]
[4230]	Amenity, clubhouse, or facility rental income	$[ ]	$[ ]	$[ ]
[4240]	Access device, key fob, gate remote, and decal income	$[ ]	$[ ]	$[ ]
[4250]	Laundry, vending, or storage income	$[ ]	$[ ]	$[ ]

Account	Description	Prior year budget	Current year actual or estimate	Proposed budget
[4300]	Interest income, operating accounts	$[ ]	$[ ]	$[ ]
[4310]	Interest income, reserve accounts	$[ ]	$[ ]	$[ ]
[4320]	Allocation of reserve interest to reserve accounts	($[ ])	($[ ])	($[ ])
[4400]	Fine income	$[ ]	$[ ]	$[ ]
[4500]	Insurance proceeds and claim recoveries	$[ ]	$[ ]	$[ ]
[4600]	Other income	$[ ]	$[ ]	$[ ]
	Total income	$[ ]	$[ ]	$[ ]

Measured frequency in the corpus. Assessments 56%. Interest income 55%. Late fees 27%. Application, transfer, or estoppel fees 18%. Laundry or vending 6%. Amenity rental 2%.

Four notes on the income side.

- **Split the reserve assessment onto its own line.** The corpus does this inconsistently, and combining it with the operating assessment is how a reserve contribution silently becomes an operating subsidy. It also makes the section 9 per-unit schedule impossible to present the way most corpus budgets present it, with a maintenance component and a reserve component shown separately.
- **Reserve interest belongs to the reserve.** § 718.112(2)(f)3., § 719.106(1)(j)4., and § 720.303(6)(h), Fla. Stat. all provide that reserve funds **and any interest accruing on them** stay in the reserve account and may be used only for authorized reserve expenditures. Budgeting reserve interest as operating income is a use of reserve funds for another purpose. The account pair above, income and an offsetting allocation, is the pattern the corpus uses to show that the interest was recognized and then returned.
- **Do not budget fine income as though it were reliable.** It is contingent on a process that may not conclude, and in the corpus it is one of the least consistently realized lines.
- **Interest on delinquent assessments is not the same account as interest earned on deposits.** Splitting them is what lets a board see whether a collections problem is getting better.

5. Operating expense schedule

The group order below is the order the corpus uses, and the group names are the ones that recur across the widest range of independent associations. Delete what does not apply. Keep the group headings even when a group has two lines: subtotals by group are what make a budget comparable to last year's and to a neighboring association's.

Measured group frequency across the 722-document pool: utilities 47%, grounds and landscape 44%, administrative 44%, repairs and maintenance 30%, security 25%, common area 23%, amenities and recreation 20%. A combined "taxes and insurance" heading appears in 1 percent, so insurance is placed inside administrative and professional below, which is where the corpus overwhelmingly puts it.

5.1 Administrative and professional

Account	Description	Prior year	Current estimate	Proposed
[5000]	Management fees	$[ ]	$[ ]	$[ ]
[5010]	Insurance, property, general liability, and umbrella	$[ ]	$[ ]	$[ ]
[5011]	Insurance, flood	$[ ]	$[ ]	$[ ]
[5012]	Insurance, directors and officers	$[ ]	$[ ]	$[ ]
[5013]	Insurance, fidelity bond or crime	$[ ]	$[ ]	$[ ]
[5014]	Insurance, workers' compensation	$[ ]	$[ ]	$[ ]
[5020]	Legal fees, general counsel	$[ ]	$[ ]	$[ ]
[5021]	Legal fees, collections and enforcement	$[ ]	$[ ]	$[ ]
[5030]	Accounting, audit, review, or compilation	$[ ]	$[ ]	$[ ]
[5031]	Tax return preparation	$[ ]	$[ ]	$[ ]

Account	Description	Prior year	Current estimate	Proposed
[5032]	Reserve study	$[ ]	$[ ]	$[ ]
[5033]	Milestone inspection, if applicable	$[ ]	$[ ]	$[ ]
[5040]	Division fees payable to the state	$[ ]	$[ ]	$[ ]
[5041]	Corporate annual report and registered agent	$[ ]	$[ ]	$[ ]
[5042]	Licenses, permits, and local taxes	$[ ]	$[ ]	$[ ]
[5050]	Bank charges and merchant fees	$[ ]	$[ ]	$[ ]
[5060]	Postage, printing, and mailing	$[ ]	$[ ]	$[ ]
[5061]	Office supplies and equipment	$[ ]	$[ ]	$[ ]
[5062]	Records storage and archiving	$[ ]	$[ ]	$[ ]
[5070]	Website, owner portal, and software subscriptions	$[ ]	$[ ]	$[ ]
[5071]	Telephone and internet	$[ ]	$[ ]	$[ ]
[5080]	Meeting costs, elections, and balloting	$[ ]	$[ ]	$[ ]
[5081]	Director education and certification	$[ ]	$[ ]	$[ ]
[5090]	Bad debt and uncollectible	$[ ]	$[ ]	$[ ]

Account	Description	Prior year	Current estimate	Proposed
	assessments			
	Subtotal, administrative and professional	$[ ]	$[ ]	$[ ]

Measured frequency. Insurance 73%. Legal 66%. Licenses, permits, and division fees 53%. Website or software 52%. Accounting, audit, or tax 46%. Postage and printing 41%. Office supplies 35%. Management fee 30%. Telephone or internet 28%. Bank charges 28%. Bad debt 25%. Director education or travel 8%.

Three notes.

- **Insurance is the most common line in the entire corpus and the most commonly under-budgeted.** Break it out by policy. A single combined insurance line gives a board no way to explain a renewal increase to owners, and no way to see which policy caused it.
- **Split legal into general and collections.** They behave differently. General counsel spend is discretionary and plannable; collections spend rises with delinquency and is partly recoverable through the income line in section 4.
- **Budget the reserve study and, where applicable, the milestone inspection as operating expenses.** They are professional services the association buys, not reserve expenditures. Only 8 percent of the corpus shows a director education line at all, which is a gap rather than a norm.

5.2 Utilities

Account	Description	Prior year	Current estimate	Proposed
[6000]	Electricity, common areas and buildings	$[ ]	$[ ]	$[ ]
[6001]	Electricity, street and entry lighting	$[ ]	$[ ]	$[ ]
[6010]	Water and sewer, common areas	$[ ]	$[ ]	$[ ]
[6011]	Water, irrigation meter	$[ ]	$[ ]	$[ ]
[6020]	Trash, recycling, and bulk pickup	$[ ]	$[ ]	$[ ]
[6030]	Bulk cable, internet, or telecommunicatio	$[ ]	$[ ]	$[ ]

Account	Description	Prior year	Current estimate	Proposed
	ns agreement			
[6040]	Natural gas or propane	$[ ]	$[ ]	$[ ]
[6050]	Stormwater or utility district charges	$[ ]	$[ ]	$[ ]
	Subtotal, utilities	$[ ]	$[ ]	$[ ]

Measured frequency. Electric 56%. Water and sewer 55%. Trash or waste 31%. Cable or bulk television 23%. Gas 5%.

Separating irrigation water from common-area water is worth doing even when the meters are combined on the bill. It is the only way a board can tell whether a landscape contract change actually paid for itself.

5.3 Grounds and landscape

Account	Description	Prior year	Current estimate	Proposed
[6100]	Landscape maintenance contract	$[ ]	$[ ]	$[ ]
[6110]	Landscape replacement and installation	$[ ]	$[ ]	$[ ]
[6120]	Mulch and seasonal annuals	$[ ]	$[ ]	$[ ]
[6130]	Tree trimming and arborist services	$[ ]	$[ ]	$[ ]
[6140]	Irrigation repair and maintenance	$[ ]	$[ ]	$[ ]
[6141]	Irrigation pump and well service	$[ ]	$[ ]	$[ ]
[6150]	Lake, pond, and waterway maintenance	$[ ]	$[ ]	$[ ]

Account	Description	Prior year	Current estimate	Proposed
[6151]	Fountain and aerator maintenance	$[ ]	$[ ]	$[ ]
[6152]	Wetland or preserve monitoring	$[ ]	$[ ]	$[ ]
[6160]	Pest control, exterior	$[ ]	$[ ]	$[ ]
[6161]	Termite bond or treatment	$[ ]	$[ ]	$[ ]
[6170]	Entry features, monuments, and signage	$[ ]	$[ ]	$[ ]
[6180]	Perimeter walls and fencing	$[ ]	$[ ]	$[ ]
	Subtotal, grounds and landscape	$[ ]	$[ ]	$[ ]

Measured frequency. Landscape contract 65%. Lake, pond, or waterway 54%. Irrigation 50%. Pest control or termite 29%. Tree trimming 28%. Mulch or annuals 17%.

Lake and waterway maintenance appearing in 54 percent of Florida association budgets, ahead of irrigation, is a genuinely Florida fact and one of the clearest signals in the corpus that a generic national budget template will be wrong here.

5.4 Buildings, common areas, and repairs

Account	Description	Prior year	Current estimate	Proposed
[6200]	General repairs and maintenance	$[ ]	$[ ]	$[ ]
[6210]	Building and exterior repairs	$[ ]	$[ ]	$[ ]
[6211]	Roof repairs, non-reserve	$[ ]	$[ ]	$[ ]
[6212]	Gutter and downspout maintenance	$[ ]	$[ ]	$[ ]

Account	Description	Prior year	Current estimate	Proposed
[6213]	Painting and touch-up, non-reserve	$[ ]	$[ ]	$[ ]
[6214]	Pressure washing	$[ ]	$[ ]	$[ ]
[6220]	Plumbing repairs	$[ ]	$[ ]	$[ ]
[6221]	Electrical repairs	$[ ]	$[ ]	$[ ]
[6222]	HVAC service, common areas	$[ ]	$[ ]	$[ ]
[6230]	Elevator service contract and inspection	$[ ]	$[ ]	$[ ]
[6240]	Fire alarm, sprinkler, and extinguisher service	$[ ]	$[ ]	$[ ]
[6241]	Backflow testing and certification	$[ ]	$[ ]	$[ ]
[6242]	Emergency generator service and fuel	$[ ]	$[ ]	$[ ]
[6250]	Janitorial services and supplies	$[ ]	$[ ]	$[ ]
[6260]	Pavement, striping, and sidewalk repair, non-reserve	$[ ]	$[ ]	$[ ]
[6270]	On-site maintenance staff and payroll taxes	$[ ]	$[ ]	$[ ]
[6280]	Limited common element maintenance, allocated	$[ ]	$[ ]	$[ ]
	Subtotal,	$[ ]	$[ ]	$[ ]

Account	Description	Prior year	Current estimate	Proposed
	buildings, common areas, and repairs			

Measured frequency. General repairs and maintenance 81%, the single most common line in the corpus. Roof 39%. Painting 30%. Janitorial 28%. Pavement or asphalt 16%. Fire and life safety 10%. Pressure washing 10%. Elevator 7%.

Two notes.

- **The non-reserve suffix on roof, painting, and pavement is deliberate.** For a condominium or cooperative those three are mandatory reserve components under § 718.112(2)(f)2.a. and § 719.106(1)(j)2.a., Fla. Stat. The operating lines here are for the incidental repair that is not a replacement, and keeping them visibly distinct from the reserve components in section 7 is what prevents a reserve expenditure from being paid out of operating, or the reverse.
- **Line 6280 is a statutory requirement in disguise.** § 718.112(2)(f)1., Fla. Stat. provides that if the association maintains limited common elements with the cost shared only by those entitled to use them under § 718.113(1), the budget **or a schedule attached to it** must show the amount budgeted for that maintenance. If your association has assigned parking, assigned storage, balconies, or building-specific elements charged to fewer than all owners, this is not optional and a single blended line does not satisfy it. Use section 5.8.

5.5 Amenities and recreation

Account	Description	Prior year	Current estimate	Proposed
[6300]	Pool service contract	$[ ]	$[ ]	$[ ]
[6301]	Pool chemicals, supplies, and repairs	$[ ]	$[ ]	$[ ]
[6302]	Pool permits and health inspections	$[ ]	$[ ]	$[ ]
[6310]	Clubhouse or cabana maintenance	$[ ]	$[ ]	$[ ]
[6311]	Clubhouse furnishings and equipment	$[ ]	$[ ]	$[ ]
[6320]	Fitness equipment service	$[ ]	$[ ]	$[ ]

Account	Description	Prior year	Current estimate	Proposed
[6330]	Playground and tot lot maintenance	$[ ]	$[ ]	$[ ]
[6340]	Tennis, pickleball, and sport court maintenance	$[ ]	$[ ]	$[ ]
[6350]	Dock, boardwalk, and shoreline maintenance	$[ ]	$[ ]	$[ ]
[6360]	Recreational facility lease or rent	$[ ]	$[ ]	$[ ]
[6370]	Community and social events	$[ ]	$[ ]	$[ ]
	Subtotal, amenities and recreation	$[ ]	$[ ]	$[ ]

Measured frequency. Pool 39%. Clubhouse, cabana, or amenity 38%.

Line 6360 has a specific statutory hook for homeowners' associations. § 720.303(6)(a), Fla. Stat. requires the budget to **set out separately** all fees or charges the association pays for recreational amenities, whether the amenity is owned by the association, the developer, or another person. If the association pays a recreation lease, it gets its own visible line, not a share of a blended amenities figure.

5.6 Security and access control

Account	Description	Prior year	Current estimate	Proposed
[6400]	Security patrol or guard service	$[ ]	$[ ]	$[ ]
[6410]	Gate operator maintenance and repair	$[ ]	$[ ]	$[ ]
[6411]	Access control system, fobs, and transponders	$[ ]	$[ ]	$[ ]
[6420]	Camera system maintenance and	$[ ]	$[ ]	$[ ]

Account	Description	Prior year	Current estimate	Proposed
	monitoring			
[6430]	Alarm monitoring	$[ ]	$[ ]	$[ ]
	Subtotal, security and access control	$[ ]	$[ ]	$[ ]

Measured frequency. Gate or access control 31%. Security or patrol 30%.

Security is a named expense classification for condominiums under § 718.504(21)(c)1.h., Fla. Stat., so a condominium that has security provisions should show them as their own classification rather than folding them into general maintenance.

5.7 Contingency and non-recurring

Account	Description	Prior year	Current estimate	Proposed
[6500]	Contingency	$[ ]	$[ ]	$[ ]
[6510]	Storm preparation and cleanup, non-reserve	$[ ]	$[ ]	$[ ]
[6520]	Insurance deductible funding, operating portion	$[ ]	$[ ]	$[ ]
[6530]	Taxes on association property	$[ ]	$[ ]	$[ ]
[6540]	Taxes on leased areas	$[ ]	$[ ]	$[ ]
[6550]	Operating capital	$[ ]	$[ ]	$[ ]
	Subtotal, contingency and non-recurring	$[ ]	$[ ]	$[ ]

Measured frequency. Contingency 21%.

A contingency line is not a reserve and must not be described as one. It is an operating estimate for events that are likely in aggregate and unpredictable individually. For condominiums, note that taxes upon association property, taxes upon leased areas, and operating capital are each separately named classifications in § 718.504(21)(c)1., Fla. Stat.

5.8 Limited common element schedule (condominium, if applicable)

Required by § 718.112(2)(f)1., Fla. Stat. when maintenance costs are shared only by those entitled to use the limited common element. Attach as a schedule if it does not fit on the face of the budget.

Limited common element	Units or parcels sharing the cost	Basis of allocation	Amount budgeted
[DESCRIPTION]	[COUNT, OR LIST]	[PER DECLARATION SECTION ___]	$[ ]
[DESCRIPTION]	[COUNT, OR LIST]	[PER DECLARATION SECTION ___]	$[ ]
		Total	$[ ]

6. Statutory expense classification cross-check (condominium and cooperative)

§ 718.112(2)(f)1., Fla. Stat. requires the proposed annual budget to be detailed and to show amounts budgeted by accounts and expense classifications, **including at a minimum any applicable expenses listed in § 718.504(21)**. The cooperative equivalent is § 719.106(1)(j)1., Fla. Stat., pointing to § 719.504(20).

Nothing requires you to abandon the account names in section 5, which are the names owners and vendors recognize. What is required is that every applicable classification below is present somewhere in the budget. Use this table to prove it.

Statutory classification, § 718.504(21)(c)1.	Where it appears in this budget	Applicable
a. Administration of the association	Section 5.1	☐
b. Management fees	Section 5.1, account 5000	☐
c. Maintenance	Sections 5.3, 5.4, 5.5	☐
d. Rent for recreational and other commonly used facilities	Section 5.5, account 6360	☐
e. Taxes upon association property	Section 5.7, account 6530	☐

Statutory classification, § 718.504(21)(c)1.	Where it appears in this budget	Applicable
f. Taxes upon leased areas	Section 5.7, account 6540	☐
g. Insurance	Section 5.1, accounts 5010 to 5014	☐
h. Security provisions	Section 5.6	☐
i. Other expenses	Section 5.7	☐
j. Operating capital	Section 5.7, account 6550	☐
k. Reserves for all applicable items referenced in § 718.112(2)(g)	Section 7	☐
l. Fees payable to the division	Section 5.1, account 5040	☐

§ 718.112(2)(f)1., Fla. Stat. adds that after turnover of control to the unit owners, any of these expenses that are not applicable do not need to be listed. Tick "applicable" honestly rather than budgeting a zero for a classification the association genuinely does not have.

7. Reserve schedule

This section is the one the corpus is worst at and the statute cares most about. 71 percent of budgets show a reserve line. 8 percent show an estimated replacement cost. 5 percent show useful life or remaining life. A reserve contribution presented without the component table it was computed from is a number an owner cannot check and a board cannot defend.

7.1 Which components must be reserved

Condominium and cooperative. Under § 718.112(2)(f)2.a. and § 719.106(1)(j)2.a., Fla. Stat., the budget must include reserve accounts for capital expenditures and deferred maintenance. Those accounts must include, but are not limited to:

- Roof replacement, regardless of the amount of deferred maintenance expense or replacement cost.
- Building painting, regardless of amount.
- Pavement resurfacing, regardless of amount.
- Any other item whose deferred maintenance expense or replacement cost exceeds **$25,000, or the inflation-adjusted amount determined by the division, whichever is greater.**

On that threshold, read section 14 before you use the number. § 718.112(2)(f)6., Fla. Stat. directs the division to adjust the $25,000 figure annually for inflation based on the Consumer Price Index for All Urban Consumers released each January, and to post the current inflation-adjusted minimum threshold conspicuously on its website by February 1, 2026 and annually thereafter. **Look up the current posted figure and enter it here rather than using $25,000 by default:** [CURRENT PUBLISHED THRESHOLD, AS OF DATE].

Structural integrity reserve study items. If the association is required to obtain a structural integrity reserve study, § 718.112(2)(f)2.a., Fla. Stat. requires reserves to be maintained for the items in § 718.112(2)(g) for which the association is responsible under the declaration, and the reserve amount for those items **must be based on the findings and recommendations of the most recent study**. Not on the board's own estimate, and not on last year's number carried forward. The cooperative equivalents are § 719.106(1)(j)2.a. and § 719.106(1)(k), Fla. Stat.

The § 718.112(2)(g)1. item list is:

Item
a. Roof
b. Structure, including load-bearing walls and other primary structural members and primary structural systems as defined in § 627.706, Fla. Stat.
c. Fireproofing and fire protection systems
d. Plumbing
e. Electrical systems
f. Waterproofing and exterior painting
g. Windows and exterior doors
h. Any other item with a deferred maintenance expense or replacement cost exceeding the threshold above, where failure to replace or maintain it negatively affects items a. through g., as determined by the visual inspection portion of the study

Who must have a study. § 718.112(2)(g)1., Fla. Stat. requires a residential condominium association to have a structural integrity reserve study completed at least every 10 years after the condominium's creation, for each building on the condominium property that is **three habitable stories or higher** as determined by the Florida Building Code.

Homeowners' association. There is no statutory component list. § 720.303(6)(d), Fla. Stat. provides that the membership's approval action must itself **designate the components** for which reserve accounts are established. Record that designation here: [COMPONENTS DESIGNATED BY THE MEMBERSHIP VOTE OF (DATE)].

7.2 Reserve component table

One row per component. The columns are the inputs the statutory formula requires, so they are not presentational.

#	Component	Estimated useful life, years	Estimated remaining useful life, years	Estimated replacement cost or deferred maintenance expense	Estimated balance at start of budget period	Amount to bring a negative balance to zero	Annual contribution this budget	SIRS item?
1	Roof replacement	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
2	Building painting and waterproofing	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
3	Pavement resurfacing	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
4	Structure and primary structural systems	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
5	Fireproofing and fire protection systems	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
6	Plumbing	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
7	Electrical systems	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
8	Windows and exterior doors	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐

#	Component	Estimated useful life, years	Estimated remaining useful life, years	Estimated replacement cost or deferred maintenance expense	Estimated balance at start of budget period	Amount to bring a negative balance to zero	Annual contribution this budget	SIRS item?
9	[POOL AND DECK]	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
10	[CLUBHOUSE AND AMENITIES]	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
11	[FENCING, WALLS, AND SIGNAGE]	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
12	[SEAWALL OR SHORELINE]	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
13	[ELEVATORS]	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
14	[IRRIGATION SYSTEM]	[ ]	[ ]	$[ ]	$[ ]	$[ ]	$[ ]	☐
	Total reserve contribution			$[ ]	$[ ]	$[ ]	$[ ]	

Rows 1 through 3 are mandatory for a condominium or cooperative regardless of cost. Rows 4 through 8 are the structural integrity reserve study items and are mandatory for a condominium required to have a study, to the extent the declaration makes the association responsible for them. Rows 9 onward are examples drawn from the corpus; replace them with your own components.

The long-life carve-out. § 718.112(2)(f)2.a., Fla. Stat. provides that for items whose useful life is not readily ascertainable, or whose estimated remaining useful life is greater than 25 years, the association is not required to reserve replacement costs, but **must** reserve the deferred maintenance expense, if any, that the structural integrity reserve study recommends for that item. Do not read this as permission to leave a long-life component off the table. Leave it on and enter the deferred maintenance amount.

7.3 Funding method and formula

Field	Entry
Accounting method	`[STRAIGHT-LINE, COMPONENT BY COMPONENT / POOLED]`
If pooled, components in the pool	`[LIST BY ROW NUMBER]`
Basis of the estimates	`[RESERVE STUDY DATED ___ / STRUCTURAL INTEGRITY RESERVE STUDY DATED ___ / BOARD ESTIMATE]`
Inflation adjustment applied	`[YES, __% / NO]`

Straight-line formula, homeowners' association. § 720.303(6)(g)1., Fla. Stat. states it as the sum of two calculations: the total amount, if any, needed to bring a negative component balance to zero, plus the estimated replacement cost or deferred maintenance expense less the estimated balance of the component at the beginning of the budget period, with that remainder, if greater than zero, divided by the estimated remaining useful life. The formula may be adjusted each year for changes in estimates and for deferred maintenance performed during the year, and may include factors such as inflation and earnings on invested funds. § 718.112(2)(f)2.a. and § 719.106(1)(j)2.a., Fla. Stat. state the condominium and cooperative rule more briefly: a formula based on estimated remaining useful life and estimated replacement cost or deferred maintenance expense.

Pooling. § 718.112(2)(f)4., Fla. Stat. permits reserve accounts to be pooled for two or more required components, with one hard limit: **components listed in § 718.112(2)(g) may only be pooled with other components listed in § 718.112(2)(g).** The reserve funding in the proposed budget must be sufficient to ensure available funds meet or exceed projected expenses for all components in the pool, based on the funding plan or schedule of the most recent structural integrity reserve study. The same subparagraph provides that **no member vote is required** for the board to change the accounting method to pooling or to straight-line.

For homeowners' associations, § 720.303(6)(g)2., Fla. Stat. sets the pooled test differently: the contribution disclosed on the proposed budget may not be less than the amount required to ensure that the beginning balance plus projected annual cash inflows over the remaining useful lives of all pooled assets equals or exceeds projected annual cash outflows over those remaining useful lives, based on the current reserve analysis. It may include estimated earnings from investment of principal and accounts receivable minus the allowance for doubtful accounts, and it **may not include any type of balloon payment**.

Only 6 percent of corpus budgets mention pooling at all, so a board switching to a pooled method should expect owners not to know what it means. Say so in the notes to the budget.

7.4 Restrictions on reserve funds

Keep this block on the face of the budget. It is the shortest way to prevent the most common reserve error.

Rule	Condominium	Cooperative	Homeowners' association with established reserves
Reserve funds and interest stay in the reserve account	Yes	Yes	Yes
Use for another purpose requires	Advance approval by a majority vote of all the total voting interests	Advance approval by a vote of the majority of the total voting interests	Advance approval by a majority vote at a meeting at which a quorum is present
For budgets adopted on or after December 31, 2024, an association required to have a structural integrity reserve study may vote to use reserve funds for another purpose	**No.** Reserve funds and interest may be used only for replacement or deferred maintenance of the § 718.112(2)(g) components	**No**, same restriction	Not applicable
Authority	§ 718.112(2)(f)3., Fla. Stat.	§ 719.106(1)(j)4., Fla. Stat.	§ 720.303(6)(h), Fla. Stat.

7.5 Reserve pauses, and what they cost

Two narrow situations let a condominium or cooperative board slow reserve funding. Both are temporary and both come with a condition attached.

- **Building declared uninhabitable.** If the local building official determines the entire building is uninhabitable due to a natural emergency as defined in § 252.34, Fla. Stat., the board may pause or reduce reserve funding, and reserve funds may be spent to make the building habitable. When the building official determines it is habitable, the association must **immediately** resume contributing. § 718.112(2)(f)2.d. and § 719.106(1)(j)2.d., Fla. Stat.
- **Milestone inspection repairs, through 2028.** For a budget adopted on or before December 31, 2028, if the association completed a milestone inspection under § 553.899, Fla. Stat. within the previous 2 calendar years, the board may, with the approval of a majority of the total voting interests, temporarily pause or reduce reserve funding for **no more than two consecutive annual budgets**, for the purpose of funding repairs the milestone inspection recommended. An association that pauses this way **must have a structural integrity reserve study performed before resuming contributions**. § 718.112(2)(f)2.e. and § 719.106(1)(j)3.b., Fla. Stat.

The exclusion list is not the same in the two chapters, so read your own. **Condominium:** § 718.112(2)(f)2.e., Fla. Stat. excludes an association controlled by a developer as defined in § 718.103, an association in which the nondeveloper unit owners have been in control for less than 1 year, and an association controlled by one or more bulk assignees or bulk buyers as those terms are defined in § 718.703. **Cooperative:** § 719.106(1)(j)3.b., Fla. Stat. excludes only a developer-controlled association and an association in which the nondeveloper unit owners have been in control for less than 1 year. There is no bulk assignee or bulk buyer exclusion on the cooperative side, so do not import one.

7.6 Funding reserves by borrowing (condominium and cooperative)

§ 718.112(2)(f)2.c., Fla. Stat. permits reserves for § 718.112(2)(g) components to be funded by regular assessments, special assessments, lines of credit, or loans. A special assessment, line of credit, or loan requires the approval of a majority of the total voting interests. § 719.106(1)(j)3.a., Fla. Stat. states the cooperative rule in parallel terms.

Where an association required to have a structural integrity reserve study borrows to fund capital expenses required by a milestone inspection or the study, the line of credit or loan **must be sufficient to fund the cumulative amount of any previously waived or unfunded portions** of the required reserve funding plus the most recent study, and the funds must be immediately available to the board without further member approval. The borrowing and its details must be included in the annual financial statement delivered to unit owners and provided to prospective purchasers. For a condominium that statement is the one required by § 718.111(13), Fla. Stat.; for a cooperative it is the one required by § 719.104(4), Fla. Stat.

Two cooperative-only reading notes. First, § 719.106(1)(j)3.a., Fla. Stat. as codified cross-references “paragraph (g)” where the cooperative structural integrity reserve study item list is at paragraph (k); the printed statute carries an editorial footnote on that reference. Read it as the paragraph (k) items and confirm the current text before relying on it. Second, the § 718.112(2)(f)2.c.(III) carve-out for developer-controlled associations, associations under nondeveloper control for less than 1 year, and associations controlled by bulk assignees or bulk buyers is written into the condominium borrowing provision. Check whether your cooperative’s borrowing authority is limited the same way before assuming it is.

That “cumulative previously waived” language is the bill for a decade of waivers arriving at once. If your association has a waiver history, section 8.5 is where you record it, and a lender will ask.

8. Reserve waiver or reduction

Complete this section only if the board is putting a waiver or reduction to the members. Leave it in the document with “not applicable” marked rather than deleting it, so the record shows the question was considered.

8.1 Is a waiver even available?

Situation	Waiver available
Condominium or cooperative, developer in control, before turnover	**No.** § 718.112(2)(f)2.f. and § 719.106(1)(j)2.b., Fla. Stat.

Situation	Waiver available
Condominium or cooperative required to have a structural integrity reserve study, budget adopted on or after December 31, 2024, for § 718.112(2)(g) or § 719.106(1)(k) items	**No**, subject only to the multicondominium exception below. § 718.112(2)(f)2.b. and § 719.106(1)(j)2.c., Fla. Stat.
Multicondominium association with an alternative funding method approved by the division	Available for the (g) items on the approved terms. § 718.112(2)(f)2.b., Fla. Stat.
Condominium or cooperative, other reserve components	Available
Homeowners' association with reserves established under § 720.303(6)(d)	Available, one budget year at a time
Homeowners' association without established reserves	Not applicable; there is nothing to waive
Condominium that has voted to terminate under § 718.117, Fla. Stat.	The members may vote to waive maintenance of the reserves recommended by the most recent structural integrity reserve study. § 718.112(2)(f)2.a., Fla. Stat.

The December 31, 2024 line is the most consequential change in Florida association budgeting in a decade. A condominium three or more habitable stories in height can no longer waive its way out of funding the structural components. If your association's practice has been an annual waiver vote, that practice ended for those components, and the budget must be built on the study's recommendation instead.

8.2 Vote standard

Association type	Threshold	Duration
Condominium	Majority vote of the **total voting interests** of the association	Applies to the budget for which it is taken
Cooperative	Majority vote of the total voting interests, **for a fiscal year**	One fiscal year
Homeowners' association	Majority vote **at a meeting at which a quorum is present**	**One budget year only**
Authority	§ 718.112(2)(f)2.b.; § 719.106(1)(j)2.b.; § 720.303(6)(f), Fla. Stat.	

These are not the same standard and they are routinely confused. A majority of the total voting interests of the whole association is a far higher bar than a majority of those voting at a quorate meeting. Applying the homeowners' association standard to a condominium produces a waiver that did not legally happen.

If the vote fails or the meeting is not quorate, the reserves in the budget go into effect. § 718.112(2)(f)2.f., § 719.106(1)(j)2.c., and § 720.303(6)(f), Fla. Stat. all say this. There is no default to last year's waiver and no default to no reserves. Build the budget with reserves fully funded, and treat the waiver as a reduction the members may or may not approve.

Only affected owners vote. § 718.112(2)(f)5., Fla. Stat. limits the eligible voting interests to those of the units subject to assessment to fund the reserves in question.

8.3 Required proxy language (condominium, verbatim)

§ 718.112(2)(f)5., Fla. Stat. requires that a proxy question relating to waiving or reducing reserve funding, or to using existing reserve funds for other purposes, contain this statement **in capitalized, bold letters in a font size larger than any other used on the face of the proxy ballot**:

> **WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.**

Reproduce it exactly. Do not paraphrase it, do not soften it, and do not set it in the same size as the rest of the ballot. The formatting is part of the requirement.

8.4 Required budget and report disclosures (homeowners' association, verbatim)

§ 720.303(6)(c), Fla. Stat. requires one of two statements in conspicuous type. Read the trigger carefully, because it is easy to pick the wrong one.

If the budget does not provide for reserve accounts under § 720.303(6)(d), or the declaration, articles, or bylaws do not obligate the developer to create reserves, and the association is responsible for repair and maintenance of capital improvements that may result in a special assessment if reserves are not provided or not fully funded:

> THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS REGARDING THOSE ITEMS. OWNERS MAY ELECT TO PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS UNDER SECTION 720.303(6), FLORIDA STATUTES, UPON OBTAINING THE APPROVAL OF A MAJORITY OF THE TOTAL VOTING INTERESTS OF THE ASSOCIATION BY VOTE OF THE MEMBERS AT A MEETING OR BY WRITTEN CONSENT.

If the budget does provide funding accounts for deferred expenditures, including capital expenditures and deferred maintenance, but those accounts were not created or established under § 720.303(6)(d):

> THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS UNDER SECTION 720.303(6), FLORIDA STATUTES,

> THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

Where the statute puts these, and where practice puts them. § 720.303(6)(c)1. and 2., Fla. Stat. attach both statements to **each financial report for the preceding fiscal year required under § 720.303(7)**, not to the budget. Practice commonly reproduces the applicable statement on the budget as well. Reproducing it on the budget is a reasonable disclosure choice and costs nothing. Reproducing it **only** on the budget does not satisfy the statute, because the statutory home is the financial report. Do both.

Just 2 percent of corpus budgets contain the "does not provide for fully funded" language anywhere, against a much larger share of homeowners' associations that plainly have no statutory reserves. That gap is the disclosure not being made.

8.5 Waiver history

A lender, a purchaser, and any future structural integrity reserve study will all ask for this. Keep it current.

Budget year	Component or components	Full funding required	Amount actually funded	Cumulative shortfall	Vote date and result
[YYYY]	[ ]	$[ ]	$[ ]	$[ ]	[DATE, PASSED/FAILED]
[YYYY]	[ ]	$[ ]	$[ ]	$[ ]	[DATE, PASSED/FAILED]
[YYYY]	[ ]	$[ ]	$[ ]	$[ ]	[DATE, PASSED/FAILED]

---

9. Per-unit assessment schedule

Only 20 percent of corpus budgets show per-unit math and only 23 percent state the unit count, yet the per-unit figure is the only number in the whole document most owners will read. Show it, and show how it was derived.

9.1 Allocation basis

Field	Entry
Allocation basis	[EQUAL SHARES / PERCENTAGE OF OWNERSHIP PER DECLARATION / SQUARE FOOTAGE / BY UNIT TYPE / OTHER]

Field	Entry
Governing document reference	[DECLARATION SECTION ___, OR EXHIBIT ___]
Total units or parcels	[NUMBER]
Total voting interests	[NUMBER]

The allocation basis comes from the declaration, not from the board's preference. If the declaration allocates by percentage of ownership, an equal-share budget is wrong even if every owner would prefer it.

9.2 Assessment derivation

Line	Calculation	Amount
A	Total operating expenses, sum of section 5 subtotals	$[ ]
B	Total reserve contribution, from section 7.2	$[ ]
C	Total expenses (A plus B)	$[ ]
D	Less: non-assessment operating income, from section 4 excluding every assessment line and excluding reserve interest	$[ ]
E	Less: applied operating surplus carried forward, if any	$[ ]
F	**Total to be raised by assessment** (C minus D and E)	$[ ]
G	**Operating portion of F** (A minus D minus E)	$[ ]
H	**Reserve portion of F** (equal to line B, carried across unchanged)	$[ ]

D and E reduce the operating portion only. They never reduce line H. Non-assessment income and prior-year surplus are operating resources, so they offset operating expenses and nothing else. Line H is line B from section 7.2, carried across without adjustment, because the reserve contribution is the output of the component table and the funding formula in section 7.3. The only lawful way to fund reserves below the section 7.2 computation is the member vote in section 8, at the vote standard stated there, and for a budget adopted on or after December 31, 2024 by a unit-owner-controlled condominium or cooperative that must obtain a structural integrity reserve study, that vote is not available for the § 718.112(2)(g) or § 719.106(1)(k) items at all. § 718.112(2)(f)2.b. and § 719.106(1)(j)2.c., Fla. Stat. Check section 8.1 before you assume a waiver is on the table; a multicondominium with a division-approved alternative funding method is the one exception on the condominium side, and there is no cooperative equivalent. Adopting a budget in which H comes in under B because operating income was strong is a reserve reduction that no one voted on.

Two consequences of that rule worth stating on the face of the budget.

- **If line B was reduced by a member waiver, reduce it in section 7.2 and section 8.5, not here.** Section 9.2 should reflect what was actually voted, so line B and line H both carry the waived amount and the reconciliation below still ties.
- **Reserve interest never appears in line D.** § 718.112(2)(f)3., § 719.106(1)(j)4., and § 720.303(6)(h), Fla. Stat. keep reserve interest inside the reserve account. Account 4310 in section 4 is offset by the allocation at account 4320 for exactly this reason, and the net of the pair is what belongs in line D, which is zero.

9.3 Per-unit schedule, equal-share allocation

Component	Annual	Semi-annual	Quarterly	Monthly
Operating assessment per unit	$[ ]	$[ ]	$[ ]	$[ ]
Reserve assessment per unit	$[ ]	$[ ]	$[ ]	$[ ]
Total assessment per unit	$[ ]	$[ ]	$[ ]	$[ ]
Prior year total per unit	$[ ]	$[ ]	$[ ]	$[ ]
Change, dollars	$[ ]	$[ ]	$[ ]	$[ ]
Change, percent	[ ]%	[ ]%	[ ]%	[ ]%

9.4 Per-unit schedule, allocated by ownership share or unit type

Unit type or share class	Count	Allocation percentage or factor	Annual operating	Annual reserve	Annual total	Monthly total
[TYPE A]	[ ]	[ ]%	$[ ]	$[ ]	$[ ]	$[ ]

Unit type or share class	Count	Allocation percentage or factor	Annual operating	Annual reserve	Annual total	Monthly total
[TYPE B]	[ ]	[ ]%	$[ ]	$[ ]	$[ ]	$[ ]
[TYPE C]	[ ]	[ ]%	$[ ]	$[ ]	$[ ]	$[ ]
Totals	[ ]	**100%**	$[ ]	$[ ]	$[ ]	$[ ]

Reconciliation checks. Run all four before the budget goes out.

1. The annual total column must equal line F in section 9.2.
2. **Line H must equal line B.** If it does not, the budget is funding reserves at something other than what section 7.2 computed, and the only thing that authorizes that is a completed member vote recorded in section 8.
3. The annual operating column must sum to line G, and the annual reserve column must sum to line H.
4. The allocation percentages must sum to 100 percent and must match the declaration.

If any check fails, the budget is not ready to notice.

Note for cooperatives: § 719.106(1)(g), Fla. Stat. requires assessments to be made against unit owners not less frequently than **quarterly**, in an amount no less than is required to provide funds in advance for all anticipated current operating expense and all unpaid operating expense previously incurred.

10. Budget summary

Put this on the first page of the circulated document. It is the page owners will actually read.

	Prior year budget	Current year estimate	Proposed budget	Change, $	Change, %
Total income	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%
Administrative and professional	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%
Utilities	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%
Grounds and landscape	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%
Buildings, common areas, and	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%

	Prior year budget	Current year estimate	Proposed budget	Change, $	Change, %
repairs					
Amenities and recreation	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%
Security and access control	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%
Contingency and non-recurring	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%
Total operating expenses	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%
Total reserve contribution	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%
Total expenses	$[ ]	$[ ]	$[ ]	$[ ]	[ ]%
Surplus or (deficit)	$[ ]	$[ ]	$[ ]		

For homeowners' associations, § 720.303(6)(a), Fla. Stat. requires the budget to reflect the estimated revenues and expenses for the year **and the estimated surplus or deficit as of the end of the current year**. The current-year estimate column above is how that requirement is met. 34 percent of corpus budgets show a surplus or net line, so this is common but far from universal.

How this page ties to section 9.2, and the one number that will look wrong. Total income here is the section 4 total, which is the assessment revenue at line F plus the non-assessment income at line D. Total expenses here is line C. So the proposed-budget surplus or deficit equals line E, the applied operating surplus carried forward, shown as a deficit of that amount. That is correct and it is not an error: spending down a prior-year surplus is budgeting a planned current-year deficit, funded from equity the association already holds rather than from this year's assessments. If line E is zero, this row is zero and total income equals total expenses. If this row shows a deficit that does not equal line E, something upstream does not tie, and section 9.4 will tell you which check failed. Say in the notes at 10.1 which prior-year surplus is being applied and what the fund balance is after it.

10.1 Notes to the budget

Write these in plain sentences. They are the difference between a budget owners accept and a budget owners fight.

1. **What changed most, and why.** [E.G. INSURANCE RENEWAL, LANDSCAPE CONTRACT REBID, RESERVE STUDY UPDATE]
2. **Assumptions.** [OCCUPANCY, COLLECTION RATE, INFLATION FACTOR APPLIED TO RESERVES]
3. **Contracts expiring during the budget year.** [VENDOR, EXPIRY, RENEWAL RISK]
4. **Known non-recurring items.** [ ]
5. **Reserve funding status.** [FULLY FUNDED PER STUDY / FUNDED AT __% OF FULL / WAIVER PROPOSED, SEE SECTION 8]
6. **Delinquency assumption.** [CURRENT DELINQUENCY RATE AND THE BAD DEBT LINE THAT REFLECTS IT]

---

11. Notice of the budget meeting

For condominiums and cooperatives this notice must be delivered **with a copy of the proposed budget**, at least 14 days before the meeting. See section 3.1.

> **NOTICE OF MEETING OF THE BOARD OF DIRECTORS TO CONSIDER THE PROPOSED ANNUAL BUDGET**
>
> [LEGAL NAME OF ASSOCIATION]
>
> Notice is given that the Board of Directors will meet on [DAY, MONTH DD, YYYY] at [H:MM AM/PM] at [STREET ADDRESS, ROOM OR AREA, CITY, FL ZIP] [AND BY VIDEO CONFERENCE AT (ACCESS DETAILS)] to consider and adopt the proposed annual budget for the fiscal year beginning [MONTH DD, YYYY].
>
> A copy of the proposed annual budget is delivered with this notice.
>
> [IF APPLICABLE:] The proposed budget requires assessments that exceed 115 percent of assessments for the preceding fiscal year, calculated as provided in § 718.112(2)(e)2.b., Fla. Stat. A substitute budget that excludes discretionary expenditures not required to be in the budget is also delivered with this notice and will be proposed at this meeting before the annual budget is adopted. Unit owners will consider the substitute budget and may adopt it.
>
> [IF APPLICABLE:] The Board will also consider [WAIVING / REDUCING] the funding of reserves for [COMPONENTS]. [FOR A CONDOMINIUM OR COOPERATIVE, A VOTE OF THE MEMBERS IS REQUIRED AND IS SCHEDULED FOR (DATE).]
>
> This meeting is open to all [UNIT OWNERS / MEMBERS / PARCEL OWNERS].
>
> Delivered by [HAND DELIVERY / MAIL / ELECTRONIC TRANSMISSION] on [MONTH DD, YYYY].
>
> [NAME], [TITLE]

11.1 Affidavit of compliance with notice (condominium and cooperative)

Required by § 718.112(2)(e)1. and § 719.106(1)(e)1., Fla. Stat. File it among the association's official records.

AFFIDAVIT OF MAILING, DELIVERY, OR ELECTRONIC TRANSMISSION

STATE OF FLORIDA, COUNTY OF `[COUNTY]`

Before me personally appeared `[NAME]`, who, being duly sworn, states:

1. I am the `[OFFICER / MANAGER / PERSON PROVIDING NOTICE]` of `[LEGAL NAME OF ASSOCIATION]`.
2. On `[MONTH DD, YYYY]`, at least 14 days before the meeting noticed above, I `[HAND DELIVERED / MAILED TO THE ADDRESS LAST FURNISHED TO THE ASSOCIATION / ELECTRONICALLY TRANSMITTED TO THE ADDRESS FURNISHED FOR THAT PURPOSE]` to each `[UNIT OWNER / MEMBER]` a copy of the notice of meeting and a copy of the proposed annual budget.
3. The number of `[UNITS / PARCELS]` to which notice was given is `[NUMBER]`.

`[SIGNATURE]` `[PRINTED NAME]` `[DATE]`

Sworn to and subscribed before me this `[DD]` day of `[MONTH]`, `[YYYY]`, by `[NAME]`, who is personally known to me or produced `[IDENTIFICATION]` as identification.

`[NOTARY SIGNATURE, SEAL, COMMISSION EXPIRY]`

---

12. Adoption record

Complete at the meeting. Only 5 percent of corpus budgets carry any statement of board adoption, which means most published budgets give an owner no way to tell whether the document was adopted or merely proposed.

Field	Entry
Meeting date and time	`[MONTH DD, YYYY, H:MM AM/PM]`
Quorum present	`[YES / NO]`
Directors present	`[NAMES]`
Directors absent	`[NAMES]`
Motion	`[NAME]` moved to adopt the proposed annual budget for the fiscal year beginning `[DATE]`, with total expenses of $`[ ]` and a total reserve contribution of $`[ ]`.
Second	`[NAME]`
Vote, in favor	`[NAMES]`
Vote, opposed	`[NAMES]`

Field	Entry
Abstentions and stated reason	[NAMES]
Result	[ADOPTED / NOT ADOPTED]
Substitute budget considered	[YES, RESULT: ___ / NOT APPLICABLE]
Reserve funding as adopted	[FULLY FUNDED / WAIVED OR REDUCED, PENDING MEMBER VOTE ON (DATE) / WAIVED OR REDUCED, APPROVED BY MEMBERS ON (DATE)]
Date adopted relative to fiscal year start	[NUMBER] days before
Distribution to owners completed	[DATE, METHOD]

Record each director's vote or abstention by name. § 718.111(1)(b) and § 720.303(3), Fla. Stat. require director votes and abstentions to be recorded in the minutes, and § 719.104(9)(b), Fla. Stat. does the same for cooperatives. The budget adoption is exactly the kind of vote an owner will later want to trace.

13. What this budget does not do

State this plainly on the circulated document. It prevents the most common misreading.

- **It is an estimate, not a guarantee.** Actual costs may exceed budgeted amounts. A budget that comes in over is not by itself evidence of mismanagement.
- **It does not authorize a special assessment.** A special assessment is a separate action with its own notice requirements, and for condominiums, cooperatives, and homeowners' associations that notice runs 14 days and must state that assessments will be considered along with the required detail. See the board meeting notice requirements in § 718.112(2)(c), § 719.106(1)(c), and § 720.303(2)(c), Fla. Stat.
- **It does not change what the association is responsible for maintaining.** That comes from the declaration. Budgeting for something the association does not own is not how an association acquires the obligation, and declining to budget for something it does own does not shed it.
- **It does not substitute for the annual financial report.** The financial reporting obligation is separate, and for homeowners' associations it is where the reserve disclosures in section 8.4 statutorily belong. The association's own obligation is § 720.303(7), Fla. Stat. A different and narrower provision, § 720.3086, Fla. Stat., applies to a residential subdivision whose owners pay mandatory maintenance or amenity fees to the developer or to the owner of the common areas: it requires **that developer or owner**, not the association, to publish an annual report of those fee receipts and expenditures within 60 days after the fiscal year end. Do not treat § 720.3086 as the association's financial report.
- **It does not substitute for a reserve study.** Where a structural integrity reserve study is required, the reserve numbers must come from it.

- **Adopting it does not waive reserves.** Only the member vote in section 8 does that, at the threshold stated there.

14. Where the corpus and the statute disagree

This is the section worth reading twice. Each row is a practice that is common in the 722 budgets measured and wrong, incomplete, or out of date against the statute as read on 19 August 2026.

Common practice	What the statute requires	Authority
A single "Reserves" line in the operating budget with no component detail. 71% of budgets show a reserve line; 5% show useful life and 8% show replacement cost	The reserve amount must be computed using a formula based on estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. A single line does not show that any such computation happened	§ 718.112(2)(f)2.a.; § 719.106(1)(j)2.a.; § 720.303(6)(e), Fla. Stat.
Using **$10,000** as the reserve threshold for non-mandatory components, which was the long-standing figure and is still widely quoted	The threshold is **$25,000 or the inflation-adjusted amount determined by the division, whichever is greater**, and the division must post the current adjusted amount on its website annually by February 1	§ 718.112(2)(f)2.a. and 6.; § 719.106(1)(j)2.a., Fla. Stat.
An annual reserve waiver vote as routine practice for a mid-rise or high-rise condominium	For a budget adopted on or after **December 31, 2024**, a unit-owner-controlled condominium required to have a structural integrity reserve study **may not** waive or reduce reserves for the § 718.112(2)(g) items. The routine annual waiver is no longer available for those components	§ 718.112(2)(f)2.b.; § 719.106(1)(j)2.c., Fla. Stat.
Treating a failed or inquorate waiver meeting as leaving reserves unfunded	If the vote is not achieved or a quorum is not attained, **the reserves as included in the budget go into effect**	§ 718.112(2)(f)2.f.; § 719.106(1)(j)2.c.; § 720.303(6)(f), Fla. Stat.
Applying one waiver vote standard across all three chapters	Condominium and cooperative: majority of the **total voting interests**. Homeowners'	§ 718.112(2)(f)2.b.; § 719.106(1)(j)2.b.; § 720.303(6)(f), Fla. Stat.

Common practice	What the statute requires	Authority
	association: majority **at a quorate meeting**, effective for **one budget year**	
Budgeting interest earned on reserve accounts as operating income	Reserve funds **and any interest accruing on them** remain in the reserve account and may be used only for authorized reserve expenditures	§ 718.112(2)(f)3.; § 719.106(1)(j)4.; § 720.303(6)(h), Fla. Stat.
Assuming a homeowners' association must fund reserves because condominiums must	For a homeowners' association the budget **may** include reserves. They become mandatory only once established under § 720.303(6)(d), and then permanently so until the account is terminated by a majority of the total voting interests	§ 720.303(6)(b) and (d), Fla. Stat.
Omitting the "does not provide for fully funded reserve accounts" statement. It appears in 2% of corpus budgets	The statement is required in conspicuous type in each financial report for the preceding fiscal year where the trigger conditions are met	§ 720.303(6)(c)1., Fla. Stat.
Folding recreation lease payments into a general amenities line in a homeowners' association budget	The budget must **set out separately** all fees or charges paid by the association for recreational amenities, whether owned by the association, the developer, or another person	§ 720.303(6)(a), Fla. Stat.
Blending limited common element maintenance into general common expense	Where limited common element maintenance costs are shared only by those entitled to use them, the budget or an attached schedule must show the amount budgeted for that maintenance	§ 718.112(2)(f)1., Fla. Stat.
Sending a budget meeting notice without the proposed budget attached	The notice and **a copy of the proposed annual budget** must be delivered together, at least 14 days before	§ 718.112(2)(e)1.; § 719.106(1)(e)1., Fla. Stat.

Common practice	What the statute requires	Authority
Skipping the 115 percent test, or running it on total assessments without the statutory exclusions. 1% of corpus budgets mention it	**Condominium:** the test excludes required reserves, irregular § 718.112(2)(g) expenses, and insurance premiums, and a yes answer triggers a mandatory simultaneous substitute budget with its own 14-day notice and affidavit	§ 718.112(2)(e)2.a. and b., Fla. Stat.
Running the condominium 115 percent rule on a cooperative budget, or assuming a cooperative owes a simultaneous substitute budget	**Cooperative:** the exclusion list also removes assessments for betterments to the cooperative property, and the irregular-expense exclusion is not tied to the structural integrity reserve study items. No substitute budget is owed unless 10 percent of the voting interests apply in writing, which obliges the board to call a special meeting within 30 days on at least 10 days' notice. The owners enact a budget by a majority of all voting interests; if no quorum is attained or no substitute is adopted, the board's budget takes effect as scheduled	§ 719.106(1)(e)2., 3., and 4., Fla. Stat.
Running any 115 percent test on a homeowners' association budget	Ch. 720 has no 115 percent substitute budget rule. Sections 3.3 and 3.4 do not apply. What ch. 720 requires instead is the budget contents, the reserve disclosures, and the delivery obligation in § 720.303(6)	§ 720.303(6), Fla. Stat.
Pooling structural components with ordinary reserve components to smooth funding	Components listed in § 718.112(2)(g) may be pooled **only with other § 718.112(2)(g) components**	§ 718.112(2)(f)4., Fla. Stat.

Common practice	What the statute requires	Authority
Seeking a member vote to change between straight-line and pooled accounting	No member vote is required for the board to change the reserve accounting method	§ 718.112(2)(f)4., Fla. Stat.
Setting a proxy waiver question in ordinary type	The capitalized warning in section 8.3 must appear in bold capitals in a font size **larger than any other** on the face of the proxy ballot	§ 718.112(2)(f)5., Fla. Stat.
Treating a missed budget adoption deadline as having no consequence	Failing to timely adopt the annual budget a second time is a deemed minor violation, and the prior year's budget continues in effect until a new one is adopted	§ 718.112(2)(f)1.; § 719.106(1)(j)1., Fla. Stat.

One thing this template deliberately does not tell you. The Florida Administrative Code carries division-level detail on condominium budget and reserve disclosure in ch. 61B-22, F.A.C. The rule text was not available in the source consulted for this template, so nothing here states what those rules require. If you are preparing a condominium budget, have your CPA or counsel confirm the current text of ch. 61B-22, F.A.C. before you finalize the reserve disclosure format.

15. Statute reference table

Every citation used above, with what it governs. Read on 19 August 2026.

Citation	Governs
§ 553.899(3)(a), Fla. Stat.	Milestone inspection required for condominium and cooperative buildings three habitable stories or higher, by December 31 of the year the building reaches 30 years of age based on the certificate of occupancy date, and every 10 years thereafter; transition deadlines of December 31, 2024 and December 31, 2025
§ 553.899(3)(b), Fla. Stat.	Local enforcement agency may require the milestone inspection at 25 years for local conditions such as proximity to salt water
§ 718.111(1)(b), Fla. Stat.	Condominium director votes recorded: a vote or abstention for each director present must be recorded in the minutes

Citation	Governs
§ 718.111(13), Fla. Stat.	Condominium annual financial statement delivered to unit owners, which must carry the details of any special assessment, line of credit, or loan secured to fund reserves
§ 718.112(2)(c), Fla. Stat.	Condominium board meeting notice, including the 14-day track for assessments
§ 718.112(2)(e)1., Fla. Stat.	Budget meeting open to owners; may be by video conference; 14-day notice delivered with a copy of the proposed annual budget; affidavit of compliance filed in the official records
§ 718.112(2)(e)2., Fla. Stat.	The 115 percent test, the mandatory substitute budget, the exclusions from the test, and the developer-control limit
§ 718.112(2)(f)1., Fla. Stat.	Budget must be detailed and show amounts by accounts and expense classifications including the § 718.504(21) minimum; adoption at least 14 days before fiscal year start; second failure to adopt is a minor violation; multicondominium separate budgets; limited common element schedule
§ 718.112(2)(f)2.a., Fla. Stat.	Mandatory reserve accounts; roof, painting, and pavement regardless of amount; the $25,000 or inflation-adjusted threshold; the useful life and replacement cost formula; SIRS-based amounts; the greater-than-25-year carve-out
§ 718.112(2)(f)2.b., Fla. Stat.	Waiver by majority of total voting interests; the December 31, 2024 bar on waiving SIRS items; the multicondominium alternative funding exception
§ 718.112(2)(f)2.c., Fla. Stat.	Funding SIRS-item reserves by special assessment, line of credit, or loan; loan sizing to cover previously waived amounts; financial statement disclosure
§ 718.112(2)(f)2.d., Fla. Stat.	Pause of reserve contributions when the building is declared uninhabitable after a natural emergency
§ 718.112(2)(f)2.e., Fla. Stat.	Milestone-inspection pause of up to two

Citation	Governs
	consecutive annual budgets, through budgets adopted on or before December 31, 2028, with a required study before resuming
§ 718.112(2)(f)2.f., Fla. Stat.	Developer-controlled association may not waive; failed or inquorate waiver meeting means the budgeted reserves take effect
§ 718.112(2)(f)3., Fla. Stat.	Reserve funds and interest restricted to authorized reserve expenditures; the December 31, 2024 bar on alternative use for SIRS components
§ 718.112(2)(f)4., Fla. Stat.	Pooling, the restriction that SIRS components pool only with SIRS components, sufficiency test, and no member vote to change accounting method
§ 718.112(2)(f)5., Fla. Stat.	Which voting interests may vote on a waiver, and the required capitalized proxy warning
§ 718.112(2)(f)6., Fla. Stat.	Annual inflation adjustment of the $25,000 threshold and the division's obligation to post it
§ 718.112(2)(g), Fla. Stat.	Structural integrity reserve study: 10-year cycle, three-habitable-stories trigger, the eight-item list, visual inspection basis, who may perform it, and minimum contents including remaining useful life, replacement cost, and a baseline funding plan
§ 718.117, Fla. Stat.	Condominium termination, referenced in the reserve waiver exception
§ 718.504(21), Fla. Stat.	The estimated operating budget and schedule of unit owner expenses, including the twelve minimum expense classifications
§ 719.104(4), Fla. Stat.	Cooperative annual financial report delivered to unit owners, which carries the borrowing details required by § 719.106(1)(j)3.a.
§ 719.104(9)(b), Fla. Stat.	Cooperative director votes and abstentions recorded
§ 719.106(1)(c), Fla. Stat.	Cooperative board meeting notice

Citation	Governs
§ 719.106(1)(e)1., Fla. Stat.	Cooperative budget meeting: 14-day notice with copies of the proposed budget, and the affidavit
§ 719.106(1)(e)2., Fla. Stat.	Cooperative 115 percent rule: special meeting within 30 days on written application of 10 percent of the voting interests, at least 10 days' written notice, budget enacted by a majority of all voting interests unless the bylaws require more
§ 719.106(1)(e)3., Fla. Stat.	Board may propose a budget at a meeting or in writing; if a quorum is not attained or no substitute budget is adopted, the board's budget goes into effect as scheduled
§ 719.106(1)(e)4., Fla. Stat.	Cooperative 115 percent exclusions: reasonable reserves, irregular expenses, insurance premiums, and assessments for betterments to the cooperative property; developer-control limit
§ 719.106(1)(g), Fla. Stat.	Cooperative assessments made not less frequently than quarterly, in advance
§ 719.106(1)(j), Fla. Stat.	Cooperative annual budget and reserves, mirroring the condominium regime: 2.a. the required components and the $25,000 or inflation-adjusted threshold; 2.b. waiver by majority of the total voting interests for a fiscal year and the developer-control bar; 2.c. the December 31, 2024 bar on waiving paragraph (k) items and the rule that a failed or inquorate meeting leaves the budgeted reserves in effect; 2.d. the uninhabitable-building pause; 3.a. funding by assessment, line of credit, or loan; 3.b. the milestone-inspection pause through 2028, whose exclusions do not include bulk assignees or bulk buyers; 4. reserve funds and interest restricted; 5. pooling; 6. the annual inflation adjustment
§ 719.106(1)(k), Fla. Stat.	Cooperative structural integrity reserve study item list
§ 719.504(20), Fla. Stat.	Cooperative expense classifications referenced by § 719.106(1)(j)1.

Citation	Governs
§ 720.303(2)(c), Fla. Stat.	HOA board meeting notice, including the 14-day track for special assessments
§ 720.303(3), Fla. Stat.	HOA minutes: each director's vote or abstention recorded
§ 720.303(5), Fla. Stat.	HOA official records and the time limits referenced by the budget delivery obligation
§ 720.303(6)(a), Fla. Stat.	HOA annual budget contents: operating expenses, estimated revenues and expenses, estimated surplus or deficit at year end, recreational amenity fees set out separately, and delivery of a copy or a no-charge availability notice to each member
§ 720.303(6)(b), Fla. Stat.	HOA reserves permissive; funding limits where not established under (d); the ongoing obligation once established; termination by majority of total voting interests
§ 720.303(6)(c), Fla. Stat.	The two required conspicuous-type reserve disclosure statements, and that they belong in the financial report under subsection (7)
§ 720.303(6)(d), Fla. Stat.	How members establish reserve accounts, and the requirement that the approval designate the components
§ 720.303(6)(e), Fla. Stat.	HOA reserve computation formula based on remaining useful life and replacement cost or deferred maintenance expense
§ 720.303(6)(f), Fla. Stat.	HOA waiver: majority at a quorate meeting, effective for one budget year; failed or inquorate meeting means the budgeted reserves take effect
§ 720.303(6)(g), Fla. Stat.	HOA separate-account and pooled funding formulas, including the bar on balloon payments
§ 720.303(6)(h), Fla. Stat.	HOA reserve funds and interest restricted to authorized reserve expenditures
§ 720.303(6)(i), Fla. Stat.	Developer in control may but need not include reserves and may set the amount
§ 720.303(7), Fla. Stat.	HOA annual financial report, where the reserve

Citation	Governs
	disclosures statutorily belong
§ 720.3086, Fla. Stat.	Financial report of mandatory maintenance or amenity fees, owed by the subdivision developer or the owner of the common areas or recreational facilities that collects them, published within 60 days after fiscal year end. Not the association's annual financial report, which is § 720.303(7)
ch. 61B-22, F.A.C.	Division rules on condominium accounting, budgets, and financial reports. **Not verified for this template.** Confirm the current rule text with your CPA or counsel

Statutory text was read from the Florida statute corpus on 19 August 2026. Confirm current text before relying on any citation; the Legislature amends chs. 718, 719, and 720 nearly every session, and the reserve provisions in particular have changed in each of the last four.

16. Adapting this outside Florida

The operating expense taxonomy in section 5 travels reasonably well. It was derived from Florida documents, and two of its features are visibly Florida-shaped: lake and waterway maintenance appears in 54 percent of budgets, ahead of irrigation, and storm preparation appears as a recurring rather than exceptional line. Elsewhere those move down the list.

Everything in sections 2, 3, 6, 7, 8, and 15 is Florida law and none of it should be assumed to hold anywhere else. Re-derive per state, in this order: whether reserves are mandatory at all and for which association types; the component list and any monetary threshold; the reserve computation formula the statute prescribes; the waiver mechanism, its vote threshold, and its duration; any mandatory disclosure language and where it must appear; the budget meeting notice period and whether the budget itself must travel with the notice; the budget adoption deadline; and any equivalent of the 115 percent substitute budget rule. The structural integrity reserve study regime is a Florida response to a Florida event and has no general analog, though several states have since adopted reserve study requirements of their own.

Template provided by Common Elements · commonelements.com/t/fl-annual-operating-budget

Free to use and share. Build this in the app instead and it fills itself from your association's record, then exports branded: commonelements.com/tools