To: TSRA Finance Committee
From: Menka Sethi (Community Manager)
Re: Preliminary Budget Presentation
Date: January 6, 2025

The FY2025-26 Draft Budget focuses on maintaining base-line operations and reinvesting in facilities (buildings) and resources (land). Nearly two million dollars' worth of projects are proposed that serve to maintain the high quality and integrity of TSRA commons and facilities. Pickleball improvements will make the temporary courts permanent at Moonraker. Pool furniture will be refreshed all around. Trail bridges and stairs will be rehabilitated. Roads will be slurry sealed. Del Mar audio visual woes will be made fully and reliably functional once and for all. Heat pump installation will continue at Del Mar and scaled elsewhere (Water Company annex).

Staffing has increased its capacity with the continued deployment of integrated technology systems across finance, member services, communications, security, the Water Company, and Design Compliance and Environmental Management - while reducing full-time headcount equivalents from 52 to 49.

The Draft FY2025-26 Budget presented herein is broken into the following components:

1. Changes from FY 2025-26 Preliminary Budget
2. Operations
3. FY2025-26 Projects
4. Projects Beyond FY 2025-26
5. Future Non-Assessment Revenue Sources
6. Response to Comments

The Draft Budget results in an assessment increase of 14.3%, from $333.25 in FY2024-25 to $381.00 in FY2025-26. Table 1 compares TSRA assessment components across the FY2024-25 adopted budget, the FY2025-26 Preliminary Budget (that was presented at the December 7, 2024 Finance Committee meeting), and the FY2025-26 Draft Budget.

***Table 1**. Basic Monthly Assessment*

	2025-26 (Draft – 1/10/25)	***2025-26 (Preliminary – 12/7/24)***	***2024-25 (Adopted)***
Operating Fund	$323.40	$324.50	$289.50
Property & Equipment Replacement Fund	$42.85	$53.90	$29.00
Development & Reserve Fund	$4.75	$4.75	$4.75
Sea Ranch Connect Fund	$10.00	$10.00	$10.00
Total	**$381.00**	**$393.15**	**$333.25**

The FY2025-26 Draft Budget assumes a carry-over of $23,640 ($0.89 of monthly assessment) from FY2024-25. This budgeting approach is based on the idea that dollars assessed of members are largely used in that same year, consistent with Davis-Stirling regulations which stipulate a 1:1 income to expense ratio in a given budget year.

Additional details about Table 1 are provided in the sections that follow. Detailed department revenue and expense summaries are provided Exhibit 1.

SECTION 1. CHANGES FROM PRELIMINARY BUDGET PRESENTED IN DECEMBER 2024

Projects – Smoothing Funding Across Fiscal Years

Finance Committee, in its 12/7/2024 FY2025-26 Preliminary Budget discussion, inquired whether costs for Property & Equipment (P&E) Fund and Development & Reserve (D&R) Fund projects could be smoothed across fiscal years. The FY2025-26 Draft Budget uses available D&R Fund balances to pay for a portion of projects proposed for FY2025-26. Specifically, the Del Mar Heat Pumps ($165,000) and Bio-Char Pilot ($35,000) are proposed to be paid for from the D&R Fund available balance. These projects were previously assumed to have been paid for from the P&E Fund, however the more appropriate place for such projects given they are new installations is the D&R Fund. The D&R fund will have a balance at FY 2024-25 year-end of approximately $295,000. With proposed D&R assessments for FY2025-26 of $125,580, total funds available of $420,580 are sufficient to cover the $410,600 of proposed projects.

To smooth P&E Fund project costs, each was evaluated for necessity to occur in FY2025-26. One larger project at the equestrian center, the paddock roofs ($76,385), was deemed to be a priority project that can afford to be push out one year to when the project burden on assessments is not anticipated to be as great at that proposed for FY2025-26.

Lastly, the FY2025-26 Draft Budget includes costs – such as $212,180 in one-time storm expenses – that could be charged instead on an as-needed basis through special assessment. Shifting one-time storm expenses to an as-needed special assessment would reduce the FY2025-26 Draft Budget by approximately $8.50 a month, and would require each lot to pay a one-time $102 charge in event the special assessment were needed. The special assessment approach is not yet incorporated into the FY2025-26 Draft Budget.

Insurance

Insurance costs in the FY2025-26 Draft Budget are approximately $111,000 less than those in the FY2025-26 Preliminary Budget - as final insurance quotes came in between creation of Preliminary and Draft Budgets. Overall Insurance, other than Workers Compensation increased by 13.1%. Workers Compensation increased by 27% - representing a $94,000 savings relative to the FY2025-26 Preliminary budget (which assumed a premium increase of 93%.)

Payroll

A merit increase of up to 7% is assumed in the FY2025-26 Draft Budget. The FY2025-26 Preliminary Budget assumed up to a 5% merit increase.

Committee Budgets

Committee budget increased by approximately $10,000 from the FY2025-26 Preliminary Budget to the FY2025-26 Draft Budget.

SECTION 2. OPERATIONS

The FY2025-26 Draft Budget maintains a baseline operational state relative to the current year. Below are details about budget components of expressed interest by Finance Committee.

Payroll: No new headcount has been added. All roles are assumed as filled. Payroll allows for up to a 7% merit increase for all employees.

Benefits: Benefits costs are updated January 1 of each calendar year. Benefits through TriNet are shown to increase for calendar year 2025 by 9.0% and by 15% from the 2025 rate for January through April 2026.

Workers Compensation Insurance: Workers compensation insurance premiums are shown to increase for calendar year 2025 by 27%.

Systems Investment: $53,000 is included for finishing buildout of financial systems upgrades undertaken in the past two years. These funds are primarily for bridging Salesforce to SageIntacct and creating a payment portal. The payment portal will allow members to pay dues and water bills online – thereby saving hours of staff time that can be put towards other work. It will also allow TSRA to bill DCEM fees and merchandise (future to come) online.

NOTABLE BUDGET CHANGES RELATIVE TO PRIOR YEAR (FY2024-25)

General Operations: General IT (software subscriptions expense category) $132,864 expenses were pulled from individual departments (F&R, DCEM, Services & Communication) in FY24-25 and into the General Operations Budget for FY25-26. This is the reason for the seemingly large year-over-year increase.

Facilities & Resources: Much of the tree work that is more than routine maintenance was pulled from the F&R operating budget and placed in the P&E fund (and 30-year plan) on advice of Davis-Stirling counsel. This is the reason for the drop in F&R's budget from 23-24 to prior year and FY2025-26 - at a time when the team is undertaking more work than it has in many years in terms of tree management – largely in response to changed environmental conditions brought about by three Bomb Cyclones in 2023 and 2024.

The largest contributing factor to F&R's department budget decrease in FY2025-26 relative to FY2024-25 is a reduction in pool monitor hours which were budgeted at 15 hours a week in FY2024-25. FY2024-25 actuals have pool monitors at 9 hours a week in summer and 7 hours in winter – and this is reflected in the FY2025-26 preliminary budget. This yields approximately $140,000 in savings relative to the prior fiscal year budget.

SECTION 3. FY 2025-26 PROJECTS

Presented below are projects from the 30-Year Plan that are proposed for FY2025-26 implementation. There are a handful of projects included that were not considered in the 30-Year Plan and that staff believes are required for maintaining 1) operational integrity of the recreation centers and 2) consistency with the Board's directive to continue reducing TSRA's greenhouse gas emissions.

Property and Equipment Fund: This year is heavy on projects in the Property and Equipment Replacement Fund. Here is a table of projects:

***Table 2**. Property and Equipment Fund FY25-26 Preliminary Project List*

	Location	30-Yr Plan #	Description	Cost
1	Ohlson Rec Center	15	Paint Interior Walls	$31,500
2	Ohlson Rec Center	41	Replace Tennis Court Stairs	$5,305
3	Ohlson Rec Center	Add	Add Pool Deck Furniture	$4,800
4	Moonraker Rec Center	7	Seal Siding	$12,800
5	Moonraker Rec Center	33	Replace Pickleball Court Stairs (Pool Side)	$10,000
6	Moonraker Rec Center	Add	Add Permanent Pickleball Nets (3)	$10,000
7	Moonraker Rec Center	Add	Pickleball Practice Backboard	$3,000
8	Moonraker Rec Center	Add	Pool Deck Furniture	$2,400
9	Del Mar Pool	10	Paint Interior Walls	$19,500
10	Del Mar Pool	Add	Pool Deck Furniture	$2,400
11	Del Mar House	4	Replace Wood Deck	$5,305
12	Del Mar Restroom Bldg	Add	Replace Linoleum Flooring	$10,000
13	Del Mar Hall	Add	Replace Tables	$10,000
14	Del Mar Schoolhouse	Add	Wood Eating Pest Removal Required to Maintain Structural Integrity of the Building	$5,000
15	Commons	1	Replace Trail Bridges	$4,774
16	Commons	3	Replace Smugglers Cove Stairs	$6,896
17	Commons	5	Replace Tide Pool Beach Stairs (S)	$6,896
18	Commons	8	Replace Walk-On Beach Stairs	$3,713
19	Commons	9	Replace Hwy 1 Fence Posts	$21,218
20	Commons	10	Remove & Clean Drainage Infrastructure	$21,218
21	Commons	11	Hedgerow Rehab	$127,849
22	Commons	12	Dead & Dying Tree Mitigation	$250,000
23	Commons	13	Storm Impact	$212,180
24	Road Maintenance	1	Crack Sealing	$22,491
25	Road Maintenance	2	Curb Renovation	$21,218
26	Road Maintenance	3	A/C Overlay	$75,576
27	Road Maintenance	4	Slurry Sealing	$250,097
28	Road Maintenance	5	Patching	$33,737
29	Road Maintenance	6	Drainage Work	$5,623
30	Road Maintenance	7	Graphics Painting	$8,996
31	Road Maintenance	8	Sign Painting	$14,853
32	Road Maintenance	10	Road Preparation	$24,189

33	Road Maintenance	12	Reactive Patch Paving	$63,654
34	Association Office	5	Seal Siding	$10,000
35	Association Office Corp Yard	Add	Seal Siding	$10,500
36	Association Office Corp Yard	Add	Seal Siding Tractor Shed & 2 Storage Sheds	$7,800
37	Water Co Building	2	Replace Roof	$37,132
38	Water Co Building	7	Replace Heating System Boiler (with heat pump system – combined with #42 below)	$12,020
39	Water Co Building	8	Replace Radiant Heating System (with heat pump system – combined with #41 above)	$38,245
40	Field Equipment	23	Pool Equipment	$10,000
41	Field Equipment	24	Small Engine Equipment	$6,365
42	Computer/Office Eqpmt	1	Replace Server Systems	$21,218
43	Computer/Office Eqpmt	3	Replace Network Equipment	$19,096
44	Computer/Office Eqpmt	6	Replace Telephone System	$5,305
45	Computer/Office Eqpmt	7	Office Furniture	$1,061
TOTAL P&E PROJECTS				**$1,485,928**

Development & Reserve Fund: Three projects / acquisitions are proposed for this year. The gator will largely serve the Equestrian Center, and F&R uses the gator at times as well. The excavator and added diesel tank will help reduce our chipping work (excavator) and help us respond better to storm cleanup and potential wildfire scenarios.

Table 3*. Development and Reserve Fund FY25-26 Preliminary Project List*

	Location	**Description**	**Cost**
1	Del Mar Pool	Heat Pumps	$165,000
2	Field Equipment	Gator	$16,000
3	Field Equipment	Excavator	$130,000
4	Field Equipment	Diesel Tank 1,000 Gallons	$27,000
5	Del Mar AV Fix	Improve Audio & Correct Camera System	$37,600
6	Commons	Bio-Char Pilot	$35,000
TOTAL D&R PROJECTS			**$410,600**

SECTION 4. PROJECTS BEYOND FY 2025-26

Below are Board and operational priorities from prior years that are proposed for further exploration and progress in FY25-26 (and eventual implementation in FY26-27 and beyond.)

A. Office Building Modernization. Staff and members are using existing funds available (the "Building Fund") to arrive at an association office building rehabilitation plan to vet in FY25-26, and to line up next-steps for implementing this plan (financial plan-dependent) in 2026-27.

B. Energy Reliability & Resilience – Clean energy (solar, geothermal, etc.) and energy storage (batteries) at operational HQ and recreation centers. Using tax credit funding sources – potentially leveraging TSRA member tax credit purchasers (learning from success of SRC.)

- **2025-26:**
  - **Energy Reliability Pilot Program @ Del Mar:** Reliable power while reducing generator use. Batteries at Del Mar. Inverter at Del Mar that can take in batteries and solar in the future. Cost TBD.
  - **Energy Reliability Pilot Program @ TSRA & TSRWC Offices**: Reliable power while reducing generator use. Batteries at Del Mar. Inverter at Del Mar that can take in batteries and solar in the future. Evaluation of solar to offset operational HQ (offices) between and hardware store or TSRA yard. Cost TBD.

- **2026-27**:
  - **TSRA & TSRWC Offices**: Implementation of solar between and hardware store or TSRA yard to offset operational HQ (offices) loads. Cost TBD.
  - **Del Mar Center**: Solar around Del Mar Center (e.g. Highway 1 embankment, near tennis courts, on building roofs) to offset operational loads. Cost TBD.

- Current Working Group Configuration: Klaus Heineman, Nick DeVries, Jim Flessner, Rob Bedichek, and staff.

C. Bio-Mass Management Strategy. In part due to the last two storm seasons, we have more tree and vegetation biomass that we can currently deal with well. We have a growing mountain of wood chips at the dog park and large piles of logs around TSRA. How much of this should remain on the ground and as habitat? What do we do with the rest of the material?

Options used in the past for managing large amounts of biomass include: controlled burns in the rainy season, off-haul, and leaving as-is. Additional options could include bio-char and milling of downed TSRA trees for Commons projects (e.g. Highway 1 fence posts, trail bridges, building projects.) The FY 2025-26 preliminary budget includes a modest bio-char project to remove the large brush pile next to the Dog Park woodchip mountain. This would allow us to evaluate this newer bio-char innovation that is available nearby, south of TSRA, and to ascertain whether this is an approach that TSRA would like to pursue in future years.

D. Hedgerow Management Financial Plan. The Hedgerow Working Group continues its excellent work of updating the Hedgerow Management Plan. It is expected that a comprehensive financial plan will be needed in FY26-27 and beyond to accommodate eventual replacement of up to 1,500 hedgerow trees that are approaching the end of their lifespan.

SECTION 5. NON-ASSESSMENT REVENUE SOURCES

Below are Board and operational priorities and ideas from prior years that are proposed for further exploration and progress in FY25-26 (and eventual implementation in FY26-27 and beyond.)

A. North End Cell Tower. Consistent with prior year Board direction, a Request for Information (RFI) was issued in FY24-25 and several qualified and interested parties responded. Pending Board approval of a vetted plan in 2025, TSRA anticipates being able to break ground on this project in 2026. Revenue generation could begin in late 2026 or early 2027. TSRA will need to evaluate and decide on a TSRA-Owned or Contractor-Owned tower approach to determine the amount of up-front investment that may be required – along with corresponding trade-offs in future TSRA revenue projections.

B. Short Term Rental Property Management. Sonoma County's newer short term rental regulations require that owners of short-term rentals identify a property manager that can respond to calls for the property around the clock. There is interest in exploring whether TSRA could operationally serve as such a property manager. The benefit to members would presumably be lower costs than paid to outside providers, greater reliability given TSRA's extensive relationships with the region's pool of contractors, and the desire by members for greater compliance of short-term rental guests.

C. Zone Zero Compliance. TSRA could evaluate whether it would be advantageous to members to leverage the association's network of contractors and staffing capacity to facilitate members' compliance with eventual Zone Zero regulations and increasing insurance requirements to address wildfire risk to homes.

Zone Zero, an ember-resistant area within five feet of your home, is a new regulation coming on-line that is designed to protect homes from wildfire risk. Key components of Zone Zero include:

- Gravel, pavers, concrete, or bare earth in the five-foot area surrounding your house
- Keeping branches trimmed 10 feet away from chimneys and stovepipes
- Minimizing combustible items like furniture and planters on decks
- Moving firewood and lumber to more than 30 feet from your house
- Replacing combustible fencing and gates with fire-resistant materials
- Shifting garbage and recycling containers to outside Zone Zero
- Relocating boats, RVs, and vehicles away from Zone Zero

Home hardening, in addition to Zone Zero, can further increase your home's chances of survival when wildfire strikes. Key components of Home Hardening can be found here on CalFire's website and include:

- Installing a non-combustible gutter cover on gutters to prevent accumulation of leaves and debris in your home's gutter
- Cover chimney and stove pipe outlets with a spark arrestor
- Install ember and flame-resistant vents
- Caulk and plug gaps greater than 1/8-inch around exposed rafters and blocking
- Inspect exterior siding for dry rot, gaps, cracks, and warping. Caulk or plug gaps greater than 1/8-inch in siding and replace any damaged boards, including those with dry rot

- Install weather-stripping to gaps greater than1/8-inch between garage doors and door frames
- When it's time to replace your windows, replace them with multi-paned windows that have at least one pane of tempered glass
- Cover openings to operable skylights with a non-combustible metal mesh screen
- Install a minimum 6-inch metal flashing, applied vertically on the exterior of the wall at the deck-to-wall intersection
- When it is time to replace your roof, replace it with a Class A fire-rated roof

SECTION 6. MEMBER QUESTIONS AND ANSWERS

See Exhibit 2 for Questions and Answers posed by Finance Committee and TSRA members at large regarding the FY2025-26 Preliminary Budget.

Exhibit 1: Fiscal Year 2025-26 Draft Budget Expense and Revenue Forecasts

FY2025-26 Draft Budget for The Sea Ranch Association
January 10, 2025 Finance Committee Meeting

Operating Funds Expenditures
Schedule of Expenses and Assessment Calculations

	FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26	
	Planned Expenditure	Mnthly Assm't Required	Planned Expenditure	Mnthly Assm't Required	Planned Expenditure	Mnthly Assm't Required	Planned Expenditure	Mnthly Assm't Required
Facilities & Resources	3,238,938		4,071,109		3,885,584		3,772,564	
Design, Compliance & Environmental Management	771,753		1,015,955		800,908		880,513	
Finance & Human Resources	441,655		663,662		718,989		810,497	
General Operations	605,257		573,978		893,690		1,011,716	
Services & Communication	1,966,726		2,234,584		2,035,905		2,272,272	
Administration	1,146,655		629,551		618,046		574,346	
Total Operations Expenses	**8,170,984**	**306.42**	**9,188,839**	**345.00**	**8,953,122**	**336.99**	**9,321,908**	**352.14**
Less: Operating Funds Adjusting Factors:								
Non Assessment Revenue - Operating Fund	(651,015)	(24.42)	(706,075)	(26.50)	(854,960)	(32.18)	(736,500)	(27.82)
Previous Year Operating Surplus	(871,460)	(35.75)	(347,254)	(13.00)	(430,443)	(16.20)	(23,649)	(0.89)
Ending Fund Balance Adjustment	46,395	1.75	(33,285)	(1.25)	23,716	0.89	(750)	(0.03)
NET Operating Assessment	**6,694,904**	**248.00**	**8,102,225**	**304.25**	**7,691,435**	**289.50**	**8,561,009**	**323.40**
Sea Ranch Connect Enterprise Fund	852,925	32.00	852,925	32.00	856,918	32.25	776,912	29.35
Less: Profit Share from SRC	(672,994)	(26.43)	(700,000)	(26.27)	(707,623)	(26.63)	(724,472)	(27.37)
Less: Adjusting Factors SRC	118,122	4.43	113,702	4.27	116,385	4.38	212,300	8.02
NET SRC Assessment	**298,053**	**10.00**	**266,627**	**10.00**	**265,680**	**10.00**	**264,740**	**10.00**
Other Funds Expenditures								
Property & Equipment Replacement Reserve	905,400	**21.00**	1,474,580	**15.00**	1,057,282	39.80	1,485,928	56.13
Less: STR Contributions							(350,000)	(13.22)
Plus: Adjusting Factor P&E Replacement					(287,000)	(10.80)	(1,500)	(0.06)
NET P&E Assessment					**770,282**	**29.00**	**1,134,428**	**42.85**
Development and Reserve	372,000	**13.00**	310,500	**4.75**	10,000	0.38	410,600	15.51
Plus: Adjusting Factor D&R Replacement					116,099	4.37	(284,750)	(10.76)
NET D&R Assessment					**126,099**	**4.75**	**125,850**	**4.75**
Total Gross Capital Assessment	**1,277,400**	**34.00**	**1,785,080**	**19.75**	**896,381**	**33.75**	**1,260,278**	**47.60**
NET ASSESSMENT ALL FUNDS	**8,270,357**	**292.00**	**10,153,932**	**334.00**	**8,853,496**	**333.25**	**10,086,026**	**381.00**
				14.4%		-0.2%		14.3%

FY2025-26 Draft Budget for The Sea Ranch Association
January 10, 2025 Finance Committee Meeting

Expense & Revenue Summary by Fund

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Forecast	2025-26 Budget
Revenue						
Operating	6,444,920	6,914,612	7,249,709	9,075,761	8,469,512	9,317,674
P&E Replacement	341,048	898,319	1,214,548	1,721,794	1,124,184	1,484,325
Development & Reserve	151,456	284,202	348,979	131,410	130,744	125,742
Sea Ranch Connect Enterprise	943,625	971,197	1,039,289	979,726	989,901	989,192
TSRA Office Building Fund	56,889	52,711	512	1,725	-	-
Cluster Carbarns Reserve	7,835	5,359	6,680	6,382	6,841	6,192
Lower Clusters Operations	27,864	23,220	25,785	28,896	28,733	28,896
Walk-In Cabins Operations	6,120	8,100	8,100	7,200	7,200	7,200
Verdant Views Reserve	1,547	(667)	380	2,832	-	-
	7,981,304	**9,157,053**	**9,893,982**	**11,955,726**	**10,757,115**	**11,959,221**
Expenses						
Operating	6,543,775	6,857,877	7,811,582	8,840,747	8,445,863	9,321,908
P&E Replacement	222,422	839,025	382,273	1,272,109	925,121	1,485,928
Development & Reserve	23,238	189,736	552,004	167,219	19,039	410,600
Sea Ranch Connect Enterprise	610,886	630,402	382,894	384,775	389,545	390,524
TSRA Office Building Fund	57,528	85,120	-	-	-	-
Cluster Carbarns Reserve	-	-	-	-	-	10,079
Lower Clusters Operations	19,264	21,532	23,697	23,498	20,717	27,500
Walk-In Cabins Operations	14,097	5,405	9,407	6,304	6,120	6,754
Verdant Views Reserve	-	-	-	-	-	3,713
	7,491,210	**8,629,097**	**9,161,857**	**10,694,652**	**9,806,404**	**11,657,005**
Net Income	490,094	527,956	732,125	1,261,074	950,711	302,216

D&R Project Expense 2025-26 Detail - Forecast	
Del Mar Heat Pumps	165,000
Bio Char Pilot	35,000
Gator	16,000
Excavator	130,000
Diesel Tank 1,000 Gallons	27,000
Del Mar AV Upgrade	37,600
	410,600

Cluster Carbarns Res Proj Exp 2025-26 - Forc	
Re-roof lower carbarn	10,079

Verdant Views Res Proj Exp 2025-26 - Forc	
Slurry sealing	3,713

P&E Replacement Expense 2024 - 25 Detail - Forecast	
Replace Pool Cover 1	12,000
Replace Sauna Heater	5,270
Replace Tennis Court Benches	3,999
Paint House And Garage Extriors	11,000
Replace Pool Cover 2	3,000
Annex Seal Siding	4,000
Replace Office Roof	60,677
Upstairs Heat Pump Unit	19,437
Replace Del Mar Pool Boiler	54,369
Del Mar Heat Pumps	40,000
Replace Pool Cover 3	9,000
Refurbish Septic System	5,067
Storm Damage	202,000
Hedgerow Rehab	86,228
Dead & Dying Tree Mitigation	245,886
Hwy 1 Fence Repair	18,476
Replace Small Engine Equipment	6,000
Replace Pool Equipment	4,181
Office Furniture	1,000
Replace Server Systems	16,000
Replace Internal Router	3,272
Replace Computers	14,541
Drainage Cleaning & Renovation	16,322
Replace Trail Bridges	6,002
Reactive Patch Paving	72,395
Replace Telephone System	5,000
	925,121

P&E Replacement Expense 2025-26 Detail - Budget	
Paint interior walls	31,500
Replace tennis court stairs	5,305
Pool Deck Furniture	4,800
Seal siding	12,800
Replace Pickleboard court stairs (Pool Side)	10,000
Permanent Pickleball Nets (3)	10,000
Pickleball practice backboard	3,000
Pool Deck Furniture	2,400
Paint interior walls	19,500
Pool Deck Furniture	2,400
Replace wood deck	5,305
Replace Linoleum Flooring	10,000
Replace Tables	10,000
Del Mar School House	5,000
Replace trail bridges	4,774
Replace Smugglers Cove stairs	6,896
Replace Tide Pool Beach stairs (S)	6,896
Replace Walk-On Beach stairs	3,713
Replace Hwy 1 fence posts	21,218
Renovate & clean drainages	21,218
Hedgerow Rehab	127,849
Dead & Dying Tree Mitigation	250,000
Storm Impact	212,180
Crack sealing	22,491
Curb renovation	21,218
A/C overlay	75,576
Slurry sealing	250,097
Patching	33,737
Drainage work	5,623
Graphics painting	8,996
Sign painting	14,853
Road Preparation	24,189
Reactive patch Paving	63,654
Seal siding	10,000
Seal siding	10,500
Seal siding tractor shed & 2 storage sheds	7,800
Replace roofing	37,132
Replace heating system boiler	12,020
Replace radiant heating system	38,245
Pool equipment	10,000
Small engine equipment	6,365
Replace Server Systems	21,218
Replace Network Equipment	19,096
Replace Telephone System	5,305
Office furniture	1,061
	1,485,928

FY2025-26 Draft Budget for The Sea Ranch Association
January 10, 2025 Finance Committee Meeting

All Summary - Operating Fund	2023-24				2024-25				2025-26				
	Budget	Actual	Var $'s	Var %	Budget	Projected	Var $'s	Var %	Budget	Var to PB	Var to PA	% to PB	% to PA
Revenue													
Member Assessments	8,121,144	8,118,478	(2,666)	-0.03%	7,711,036	7,713,093	2,057	0.03%	8,581,174	870,138	868,081	11.28%	11.25%
Design Review Fees	457,000	309,465	(147,535)	-32.28%	385,000	268,901	(116,099)	-30.16%	335,000	(50,000)	66,099	-12.99%	24.58%
Member Charges	48,100	94,061	45,961	95.55%	72,100	70,883	(1,217)	-1.69%	77,500	5,400	6,617	7.49%	9.34%
Advertising Income	71,700	27,922	(43,778)	-61.06%	63,264	77,221	13,957	22.06%	80,000	16,736	2,779	26.45%	3.60%
Revenue Share & Tower Rental	80,000	77,939	(2,061)	-2.58%	80,000	80,319	319	0.40%	80,000	0	(319)	0.00%	-0.40%
Miscellaneous Revenue	29,500	101,913	72,413	245.47%	231,500	245,542	14,042	6.07%	150,500	(81,000)	(95,042)	-34.99%	-38.71%
Investment Income (loss)	175	13,267	13,092	7481.35%	3,500	13,553	10,053	287.22%	13,500	10,000	(53)	285.71%	-0.39%
Total Revenue	**8,807,619**	**8,743,046**	**(64,573)**	**-0.73%**	**8,546,400**	**8,469,512**	**(76,888)**	**-0.90%**	**9,317,674**	**771,274**	**848,163**	**9.02%**	**10.01%**
Expenses													
Salaries, Wages, Taxes & Benefits	5,452,855	4,847,083	605,772	11.11%	5,302,625	4,979,523	323,102	6.09%	5,660,265	(357,640)	(680,742)	-6.74%	-13.67%
Vehicle Repair Expense	155,947	165,661	(9,714)	-6.23%	155,978	152,682	3,296	2.11%	159,173	(3,195)	(6,491)	-2.05%	-4.25%
Repairs and maintenance	406,387	471,812	(65,425)	-16.10%	112,975	111,258	1,717	1.52%	118,300	(5,325)	(7,042)	-4.71%	-6.33%
Supplies	208,740	179,463	29,277	14.03%	199,840	187,653	12,187	6.10%	204,240	(4,400)	(16,587)	-2.20%	-8.84%
Computer and Internet Expenses	185,031	218,428	(33,397)	-18.05%	203,308	253,051	(49,743)	-24.47%	263,084	(59,776)	(10,033)	-29.40%	-3.96%
Utilities and Telephone	595,115	464,892	130,223	21.88%	563,395	558,871	4,524	0.80%	625,000	(61,605)	(66,129)	-10.93%	-11.83%
Licenses	11,575	8,716	2,859	24.70%	11,575	4,367	7,208	62.27%	6,000	5,575	(1,633)	48.16%	-37.39%
Insurance	400,263	552,496	(152,233)	-38.03%	650,004	628,979	21,025	3.23%	602,732	47,272	26,247	7.27%	4.17%
Occupancy	56,650	59,737	(3,087)	-5.45%	56,650	73,444	(16,794)	-29.65%	60,000	(3,350)	13,444	-5.91%	18.31%
Printing, Postage, and Reproduction	149,905	134,514	15,391	10.27%	113,885	108,423	5,462	4.80%	117,000	(3,115)	(8,577)	-2.74%	-7.91%
Personnel Costs (Non Payroll)	33,500	24,797	8,703	25.98%	30,854	41,145	(10,291)	-33.35%	77,000	(46,146)	(35,855)	-149.56%	-87.14%
Miscellaneous	35,600	65,242	(29,642)	-83.26%	21,350	69,470	(48,120)	-225.39%	56,100	(34,750)	13,370	-162.76%	19.25%
Legal Fees	200,000	191,723	8,277	4.14%	225,000	160,998	64,002	28.45%	225,000	0	(64,002)	0.00%	-39.75%
Professional and Contract Services	439,580	1,045,767	(606,187)	-137.90%	660,086	548,016	112,070	16.98%	541,513	118,573	6,503	17.96%	1.19%
Fuel Reduction and Special Projects	800,090	275,772	524,318	65.53%	597,000	527,480	69,520	11.64%	543,000	54,000	(15,520)	9.05%	-2.94%
Committee & Volunteer Expenses	31,600	26,141	5,459	17.27%	22,600	8,672	13,928	61.63%	31,500	(8,900)	(22,828)	-39.38%	-263.26%
Interest Expense	1,000	1,106	(106)	-10.60%	1,000	7,255	(6,255)	-625.48%	7,000	(6,000)	255	-600.00%	3.51%
Provision for Income Taxes	25,000	(3,119)	28,119	112.47%	25,000	24,574	426	1.70%	25,000	0	(426)	0.00%	-1.73%
Total Expenses	**9,188,838**	**8,730,231**	**458,607**	**4.99%**	**8,953,125**	**8,445,863**	**507,262**	**5.67%**	**9,321,908**	**(368,783)**	**(876,045)**	**-4.12%**	**-10.37%**
Depreciation	0	211,732	(211,732)	0.00%	0	244,554	(244,554)	0.00%	246,708	(246,708)	2,154	0.00%	0.88%
Net Income	**(381,219)**	**(198,918)**	**182,301**	**47.82%**	**(406,725)**	**(220,905)**	**185,820**	**45.69%**	**(250,942)**	155,783	**(30,037)**	**-38.30%**	**-13.60%**
Net Income without Depreciation	**(381,219)**	**12,814**	**394,033**		**(406,725)**	**23,649**	**430,374**		**(4,234)**	**402,491**	**(27,883)**	**-98.96%**	**117.90%**

FY2025-26 Draft Budget for The Sea Ranch Association
January 10, 2025 Finance Committee Meeting

General Operations	2023-24				2024-25				2025-26				
	Budget	Actual	Var $'s	Var %	Budget	Projected	Var $'s	Var %	Budget	Var to PB	Var to PA	% to PB	% to PA
Revenue													
Member Assesment	8,101,544	8,118,478	16,934	0.21%	7,691,436	7,693,690	2,254	0.03%	8,561,574	870,138	867,884	11.31%	11.28%
Affordable Housing Operator Assessment	19,600	-	(19,600)	-100.00%	19,600	19,403	(197)	-1.01%	19,600	-	197	0.00%	1.02%
Tower Rental Receipts	80,000	77,939	(2,061)	-2.58%	80,000	80,319	319	0.40%	80,000	-	(319)	0.00%	-0.40%
Miscellaneous Income	-	68,261	68,261	0.00%	-	12,658	12,658	0.00%	15,000	15,000	2,342	0.00%	18.50%
Interest Income	100	3,499	3,399	3399.08%	2,500	3,086	586	23.44%	3,500	1,000	414	40.00%	13.42%
Capital Interest Income	-	4	4	0.00%	-	-	-	0.00%		-	-	0.00%	0.00%
Total Revenue	**8,201,244**	**8,268,181**	**66,937**	**0.82%**	**7,793,536**	**7,809,157**	**15,621**	**0.20%**	**8,679,674**	**886,138**	**870,518**	**11.37%**	**11.15%**
Expenses													
PEO Service Fees	-	9,851	(9,851)	0.00%	74,040	61,559	12,481	16.86%	82,020	(7,980)	(20,461)	-10.78%	-33.24%
Office Supplies	15,900	18,889	(2,989)	-18.80%	15,000	19,203	(4,203)	-28.02%	20,000	(5,000)	(797)	-33.33%	-4.15%
Telephone Expense	34,365	52,830	(18,465)	-53.73%	45,000	52,514	(7,514)	-16.70%	55,000	(10,000)	(2,486)	-22.22%	-4.73%
Software Subscriptions	-	-	-	0.00%	28,200	20,970	7,230	25.64%	132,864	(104,664)	(111,894)	-371.15%	-533.59%
Property & Liability Insurance	400,263	552,496	(152,233)	-38.03%	650,004	628,979	21,025	3.23%	602,732	47,272	26,247	7.27%	4.17%
Bank Charges	-	(10,966)	10,966	0.00%	-	38,376	(38,376)	0.00%	21,600	(21,600)	16,776	0.00%	43.71%
Property & Business Taxes	56,650	59,737	(3,087)	-5.45%	56,650	73,444	(16,794)	-29.65%	60,000	(3,350)	13,444	-5.91%	18.31%
Postage	8,800	6,780	2,020	22.95%	8,000	1,547	6,453	80.66%	2,500	5,500	(953)	68.75%	-61.56%
Printing & Reproduction	33,000	10,652	22,348	67.72%	20,000	14,400	5,600	28.00%	10,000	10,000	4,400	50.00%	30.56%
Depreciation Expense	-	211,732	(211,732)	0.00%	-	244,554	(244,554)	0.00%	246,708	(246,708)	(2,154)	0.00%	-0.88%
Income Tax Expense - Federal	25,000	(3,119)	28,119	112.47%	25,000	24,574	426	1.70%	25,000	-	(426)	0.00%	-1.73%
Total Expenses	**573,978**	**951,013**	**(377,035)**	**-65.69%**	**921,894**	**1,181,565**	**(259,671)**	**-28.17%**	**1,258,424**	**(336,530)**	**(76,859)**	**-36.50%**	**-6.50%**
Net Income (Loss)	**7,627,266**	**7,317,168**	**(310,098)**	**4.07%**	**6,871,642**	**6,627,592**	**(244,050)**	**3.55%**	**7,421,250**	**549,608**	**793,658**	**8.00%**	**11.98%**

FY2025-26 Draft Budget for The Sea Ranch Association
January 10, 2025 Finance Committee Meeting

Facilities & Resources	2023-24				2024-25				2025-26				
	Budget	Actual	Var $'s	Var %	Budget	Projected	Var $'s	Var %	Budget	Var to PB	Var to PA	% to PB	% to PA
Revenue													
Facility Use Fees	7,100	8,279	1,179	16.61%	7,100	5,871	(1,229)	-17.31%	7,500	400	1,629	5.63%	27.74%
Calfire Grant Receipts	-	-	-	0.00%	200,000	200,000	-	0.00%	100,000	(100,000)	(100,000)	-50.00%	-50.00%
Miscellaneous Income	28,000	31,533	3,533	12.62%	30,000	31,138	1,138	3.79%	33,000	3,000	1,862	10.00%	5.98%
Total Revenue	**35,100**	**39,812**	**4,712**	**13.42%**	**237,100**	**237,009**	**(91)**	**-0.04%**	**140,500**	**(96,600)**	**(96,509)**	**-40.74%**	**-40.72%**
Expenses													
Payroll	1,479,144	1,550,533	(71,389)	-4.83%	1,816,003	1,572,462	243,541	13.41%	1,687,511	128,492	(115,049)	7.08%	-7.32%
Payroll Taxes	121,407	124,629	(3,222)	-2.65%	138,812	121,042	17,770	12.80%	129,100	9,712	(8,058)	7.00%	-6.66%
Workers Compensation	63,912	68,383	(4,471)	-7.00%	85,317	99,207	(13,890)	-16.28%	104,424	(19,107)	(5,217)	-22.40%	-5.26%
Employee Benefits	382,682	331,151	51,531	13.47%	354,947	249,351	105,596	29.75%	300,195	54,752	(50,844)	15.43%	-20.39%
Retirement Expense	52,943	57,000	(4,057)	-7.66%	57,798	46,171	11,627	20.12%	56,794	1,004	(10,623)	1.74%	-23.01%
Less: Labor Distribution	(88,650)	(67,265)	(21,385)	24.12%	(88,650)	(0)	(88,650)	100.00%	-	(88,650)	(0)	100.00%	100.00%
Bluff Cypress Management	15,000	800	14,200	94.67%	15,000	1,100	13,900	92.67%		15,000	1,100	100.00%	100.00%
Branch Collection Services	-	-	-	0.00%	180,000	196,500	(16,500)	-9.17%	180,000	-	16,500	0.00%	8.40%
CLC Vegetation Removal	35,000	-	35,000	100.00%	35,000	-	35,000	100.00%	-	35,000	-	100.00%	0.00%
Dead & Dying Tree Mitigation	100,000	56,040	43,960	43.96%	-	-	-	0.00%	-	-	-	0.00%	0.00%
Hedgerow Re-Entry	67,000	2,475	64,525	96.31%	75,000	-	75,000	100.00%		75,000	-	100.00%	0.00%
Hedgerow Rehab	217,000	-	217,000	100.00%	-	-	-	0.00%	-	-	-	0.00%	0.00%
Invasive Species Eradication	68,000	67,000	1,000	1.47%	-	-	-	0.00%	68,000	(68,000)	(68,000)	0.00%	0.00%
Sheep Grazing Contract	191,490	179,974	11,516	6.01%	197,000	198,880	(1,880)	-0.95%	200,000	(3,000)	(1,120)	-1.52%	-0.56%
Unscheduled Tree Services	75,000	(30,800)	105,800	141.07%	75,000	101,000	(26,000)	-34.67%	75,000	-	26,000	0.00%	25.74%
Contract Services	47,170	25,355	21,815	46.25%	45,000	41,297	3,703	8.23%	55,000	(10,000)	(13,703)	-22.22%	-33.18%
Equipment Operating Expense	33,845	27,375	6,470	19.12%	33,845	33,481	364	1.08%	40,000	(6,155)	(6,519)	-18.19%	-19.47%
Equipment Repair	15,067	8,927	6,140	40.75%	15,067	936	14,131	93.79%	5,000	10,067	(4,064)	66.81%	-434.44%
Facility Repairs	27,875	30,079	(2,204)	-7.91%	27,875	30,127	(2,252)	-8.08%	40,000	(12,125)	(9,873)	-43.50%	-32.77%
Office Security Service Fee	11,000	5,507	5,493	49.94%	6,000	2,257	3,743	62.38%	1,500	4,500	757	75.00%	33.54%
Pest Control Contract	-	-	-	0.00%	6,000	12,300	(6,300)	-105.00%	6,800	(800)	5,500	-13.33%	44.72%
Storm Damage	300,000	369,689	(69,689)	-23.23%	-	-	-	0.00%	-	-	-	0.00%	0.00%
Hand Tools	4,240	3,444	796	18.77%	4,240	3,399	841	19.83%	4,240	-	(841)	0.00%	-24.74%
Operating Supplies	63,600	61,068	2,532	3.98%	63,600	67,050	(3,450)	-5.42%	70,000	(6,400)	(2,950)	-10.06%	-4.40%
Pool Supplies	84,800	68,416	16,384	19.32%	80,000	75,901	4,099	5.12%	80,000	-	(4,099)	0.00%	-5.40%
Safety & Training Supplies	15,000	8,359	6,641	44.27%	18,000	8,278	9,722	54.01%	10,000	8,000	(1,722)	44.44%	-20.81%
Uniforms & Cleaning	12,000	9,670	2,330	19.42%	12,000	6,276	5,724	47.70%	8,000	4,000	(1,724)	33.33%	-27.48%
Electricity Expense	135,600	131,779	3,821	2.82%	158,245	161,962	(3,717)	-2.35%	180,000	(21,755)	(18,038)	-13.75%	-11.14%
Propane Expense	345,000	195,721	149,279	43.27%	280,000	238,799	41,201	14.71%	270,000	10,000	(31,201)	3.57%	-13.07%
Refuse Disposal	15,000	15,546	(546)	-3.64%	15,000	11,796	3,204	21.36%	15,000	-	(3,204)	0.00%	-27.16%
Septic Service Expense	9,000	12,729	(3,729)	-41.44%	9,000	16,225	(7,225)	-80.27%	15,000	(6,000)	1,225	-66.67%	7.55%
Water Expense	56,150	55,765	385	0.69%	56,150	77,576	(21,426)	-38.16%	90,000	(33,850)	(12,424)	-60.28%	-16.02%
Vehicle License Fees	15,900	10,267	5,633	35.43%	20,000	9,914	10,086	50.43%	12,000	8,000	(2,086)	40.00%	-21.04%
Vehicle Operating Exp	52,860	75,934	(23,074)	-43.65%	52,860	56,747	(3,887)	-7.35%	56,000	(3,140)	747	-5.94%	1.32%
Vehicle Operating Lease	15,000	16,688	(1,688)	-11.25%	15,900	10,493	5,407	34.00%		15,900	10,493	100.00%	100.00%
Vehicle Repair Expense	9,000	(17,348)	26,348	292.75%	9,000	3,856	5,144	57.16%	5,000	4,000	(1,144)	44.44%	-29.68%
Operating Licenses & Permits	11,575	8,716	2,859	24.70%	11,575	4,367	7,208	62.27%	6,000	5,575	(1,633)	48.16%	-37.39%
Travel & Business Expense	1,500	2,313	(813)	-54.19%	-	(948)	948	0.00%		-	(948)	0.00%	100.00%
Education & Training	10,000	2,138	7,862	78.62%	5,004	455	4,549	90.91%	2,000	3,004	(1,545)	60.03%	-339.56%
Total Expenses	**4,071,110**	**3,470,850**	**600,260**	**14.74%**	**3,885,588**	**3,458,254**	**427,334**	**11.00%**	**3,772,564**	**113,024**	**(314,310)**	**2.91%**	**-9.09%**
Net Income (Loss)	**(4,036,010)**	**(3,431,038)**	**604,972**	**14.99%**	**(3,648,488)**	**(3,221,245)**	**427,243**	**11.71%**	**(3,632,064)**	**16,424**	**(410,820)**	**-0.45%**	**12.75%**

FY2025-26 Draft Budget for The Sea Ranch Association
January 10, 2025 Finance Committee Meeting

Security & Communications

	2023-24				2024-25				2025-26				
	Budget	Actual	Var $'s	Var %	Budget	Projected	Var $'s	Var %	Budget	Var to PB	Var to PA	% to PB	% to PA
Revenue													
Member Services Income	15,000	28,680	13,680	91.20%	35,000	28,112	(6,888)	-19.68%	30,000	(5,000)	1,888	-14.29%	6.71%
Advertising Revenues - Soundings	71,700	27,922	(43,778)	-61.06%	63,264	77,221	13,957	22.06%	80,000	16,736	2,779	26.45%	3.60%
Total Revenue	**86,700**	**56,602**	**(30,098)**	**-34.71%**	**98,264**	**105,333**	**7,069**	**7.19%**	**110,000**	**11,736**	**4,667**	**11.94%**	**4.43%**
Expenses													
Payroll	1,306,948	1,264,658	42,290	3.24%	1,210,230	1,334,986	(124,756)	-10.31%	1,366,216	(155,986)	(31,230)	-12.89%	-2.34%
Payroll Taxes	109,855	100,586	9,269	8.44%	90,726	101,051	(10,325)	-11.38%	104,516	(13,790)	(3,465)	-15.20%	-3.43%
Workers Compensation	23,163	23,907	(744)	-3.21%	25,332	36,355	(11,023)	-43.51%	38,080	(12,748)	(1,725)	-50.32%	-4.75%
Employee Benefits	205,391	191,148	14,243	6.93%	168,689	233,734	(65,045)	-38.56%	257,798	(89,109)	(24,064)	-52.82%	-10.30%
Retirement Expense	60,523	45,003	15,520	25.64%	32,904	51,629	(18,725)	-56.91%	59,300	(26,396)	(7,671)	-80.22%	-14.86%
Less: Labor Distribution	(49,306)	(51,912)	2,606	-5.28%	(44,424)	(69,198)	24,774	-55.77%	(66,532)	22,108	(2,666)	-49.77%	3.85%
Annual Election	16,430	18,139	(1,709)	-10.40%	14,550	29,453	(14,903)	-102.43%	20,000	(5,450)	9,453	-37.46%	32.10%
Emergency Notification System	16,500	13,744	2,756	16.70%	16,500	15,118	1,382	8.38%	16,493	7	(1,376)	0.04%	-9.10%
GIS & Mapping Services	16,400	20,863	(4,463)	-27.21%	12,996	12,983	14	0.10%	13,000	(4)	(18)	-0.03%	-0.13%
IT Processes Integration	15,000	53,000	(38,000)	-253.33%	-	-	-	0.00%		-	-	0.00%	0.00%
Professional Fees	124,505	109,408	15,097	12.13%	152,000	90,162	61,838	40.68%	110,000	42,000	(19,838)	27.63%	-22.00%
Communication Equip Repair	18,600	30,072	(11,472)	-61.68%	24,188	32,158	(7,970)	-32.95%	25,000	(812)	7,158	-3.36%	22.26%
Emergency Supplies	7,000	4,958	2,042	29.17%	5,000	6,706	(1,706)	-34.12%	10,000	(5,000)	(3,294)	-100.00%	-49.12%
Security Supplies	3,000	818	2,182	72.75%	2,000	738	1,262	63.11%	2,000	-	(1,262)	0.00%	-171.08%
Uniforms & Cleaning	2,000	261	1,739	86.96%	-	-	-	0.00%		-	-	0.00%	0.00%
Vehicle License Fees	1,900	2,376	(476)	-25.04%	1,001	3	998	99.70%		1,001	3	100.00%	100.00%
Vehicle Operating Exp	28,600	31,129	(2,529)	-8.84%	7,232	19,920	(12,688)	-175.45%	25,000	(17,768)	(5,080)	-245.69%	-25.50%
Vehicle Operating Lease	24,187	40,884	(16,697)	-69.03%	42,985	51,749	(8,764)	-20.39%	45,681	(2,696)	6,068	-6.27%	11.73%
Vehicle Repair Expense	8,500	5,731	2,769	32.57%	7,000	-	7,000	100.00%	5,000	2,000	(5,000)	28.57%	0.00%
Computer Expenses	44,872	36,236	8,636	19.25%	45,000	31,119	13,881	30.85%	35,000	10,000	(3,881)	22.22%	-12.47%
Internet Expense	104,348	168,620	(64,272)	-61.59%	105,108	183,100	(77,992)	-74.20%	75,220	29,888	107,880	28.44%	58.92%
Website Expense	35,811	13,572	22,239	62.10%	25,000	17,863	7,137	28.55%	20,000	5,000	(2,137)	20.00%	-11.96%
Dues & Subscriptions	3,750	350	3,400	90.67%	500	107	393	78.67%	500	-	(393)	0.00%	-368.75%
Travel & Business Expense	3,100	6,898	(3,798)	-122.53%	4,000	7,497	(3,497)	-87.42%	5,000	(1,000)	2,497	-25.00%	33.30%
Education & Training	3,000	971	2,030	67.65%	1,500	705	795	52.99%	500	1,000	205	66.67%	29.09%
Postage	16,805	23,209	(6,404)	-38.11%	12,485	10,270	2,215	17.74%	11,500	985	(1,230)	7.89%	-11.98%
Printing & Reproduction	83,700	90,474	(6,774)	-8.09%	73,400	81,676	(8,276)	-11.27%	93,000	(19,600)	(11,324)	-26.70%	-13.86%
Total Expenses	**2,234,582**	**2,248,061**	**(13,479)**	**-0.60%**	**2,035,902**	**2,279,984**	**(244,082)**	**-11.99%**	**2,272,272**	**(236,370)**	**7,712**	**-11.61%**	**0.34%**
Net Income (Loss)	**(2,147,882)**	**(2,191,459)**	**(43,577)**	**-2.03%**	**(1,937,638)**	**(2,174,651)**	**(237,013)**	**-12.23%**	**(2,162,272)**	**(224,634)**	**12,379**	**11.59%**	**-0.57%**

FY2025-26 Draft Budget for The Sea Ranch Association
January 10, 2025 Finance Committee Meeting

Finance & HR	2023-24				2024-25				2025-26				
	Budget	Actual	Var $'s	Var %	Budget	Projected	Var $'s	Var %	Budget	Var to PB	Var to PA	% to PB	% to PA
Revenue													
Membership Account Fees	26,000	57,102	31,102	119.62%	30,000	36,899	6,899	23.00%	40,000	10,000	3,101	33.33%	8.40%
Total Revenue	**26,000**	**57,102**	**31,102**	**119.62%**	**30,000**	**36,899**	**6,899**	**23.00%**	**40,000**	**10,000**	**3,101**	**33.33%**	**8.40%**
Expenses													
Payroll	457,506	342,456	115,050	25.15%	473,703	477,802	(4,099)	-0.87%	532,386	(58,683)	(54,584)	-12.39%	-11.42%
Payroll Taxes	35,989	24,679	11,310	31.43%	38,348	35,491	2,857	7.45%	40,734	(2,386)	(5,243)	-6.22%	-14.77%
Workers Compensation	1,647	3,523	(1,876)	-113.90%	2,902	5,585	(2,683)	-92.45%	5,860	(2,958)	(275)	-101.93%	-4.93%
Employee Benefits	99,920	42,150	57,770	57.82%	47,978	62,727	(14,749)	-30.74%	68,857	(20,879)	(6,130)	-43.52%	-9.77%
Retirement Expense	19,910	12,441	7,469	37.51%	16,834	21,536	(4,702)	-27.93%	25,092	(8,258)	(3,556)	-49.06%	-16.51%
Less: Labor Distribution	(43,835)	(55,133)	11,298	-25.77%	(164,979)	(87,258)	(77,721)	47.11%	(82,432)	(82,547)	(4,826)	50.03%	5.53%
401K Administration	8,000	2,464	5,536	69.20%	-	-	-	0.00%		-	-	0.00%	0.00%
Annual Audit	24,000	118,197	(94,197)	-392.49%	50,000	41,950	8,050	16.10%	45,000	5,000	(3,050)	10.00%	-7.27%
HR Consulting Fees	10,875	4,654	6,221	57.21%	-	-	-	0.00%		-	-	0.00%	0.00%
Professional Fees	14,200	527,741	(513,541)	-3616.49%	200,000	189,923	10,077	5.04%	90,000	110,000	99,923	55.00%	52.61%
Office Supplies	1,000	1,065	(65)	-6.46%	-	-	-	0.00%		-	-	0.00%	0.00%
Bank Charges	8,500	7,886	614	7.23%	5,000	-	5,000	100.00%		5,000	-	100.00%	0.00%
Collections/Bad Debt Expense	1,000	1,128	(128)	-12.78%	3,000	1,279	1,721	57.36%	3,000	-	(1,721)	0.00%	-134.52%
Credit Card Surcharge	550	6,879	(6,329)	-1150.81%	2,000	13,979	(11,979)	-598.97%	15,000	(13,000)	(1,021)	-650.00%	-7.30%
Dues & Subscriptions	800	-	800	100.00%	-	-	-	0.00%		-	-	0.00%	0.00%
Travel & Business Expense	3,500	76	3,424	97.84%	-	-	-	0.00%		-	-	0.00%	0.00%
Education & Training	2,500	-	2,500	100.00%	-	-	-	0.00%	5,000	(5,000)	(5,000)	0.00%	0.00%
Employee Team Building	12,000	18,774	(6,774)	-56.45%	12,000	34,171	(22,171)	-184.76%	15,000	(3,000)	19,171	-25.00%	56.10%
New Employee Lunches	-	-	-	0.00%	-	-	-	0.00%	2,000	(2,000)	(2,000)	0.00%	0.00%
Recruitment Expense	3,000	2,837	163	5.42%	4,000	5,814	(1,814)	-45.36%	45,000	(41,000)	(39,186)	-1025.00%	-673.94%
Postage	1,000	1,487	(487)	-48.69%	-	-	-	0.00%		-	-	0.00%	0.00%
Printing & Reproduction	1,600	1,238	362	22.64%	-	-	-	0.00%		-	-	0.00%	0.00%
Total Expenses	**663,662**	**1,064,541**	**(400,879)**	**-60.40%**	**690,786**	**803,000**	**(112,214)**	**-16.24%**	**810,497**	**(119,711)**	**(7,497)**	**-17.33%**	**-0.93%**
Net Income (Loss)	**(637,662)**	**(1,007,439)**	**(369,777)**	**-57.99%**	**(660,786)**	**(766,101)**	**(105,315)**	**-15.94%**	**(770,497)**	**(109,711)**	**(4,396)**	**16.60%**	**0.57%**

FY2025-26 Draft Budget for The Sea Ranch Association
January 10, 2025 Finance Committee Meeting

DCEM	2023-24				2024-25				2025-26				
	Budget	Actual	Var $'s	Var %	Budget	Projected	Var $'s	Var %	Budget	Var to PB	Var to PA	% to PB	% to PA
Revenue													
Design Review Fees	457,000	284,517	(172,483)	-37.74%	360,000	236,794	(123,206)	-34.22%	300,000	(60,000)	63,206	-16.67%	26.69%
PCR Inspection Fees	-	24,948	24,948	0.00%	25,000	32,108	7,108	28.43%	35,000	10,000	2,893	40.00%	9.01%
Miscellaneous Income	1,500	2,119	619	41.27%	1,500	1,745	245	16.33%	2,500	1,000	755	66.67%	43.27%
Interest Income	75	9,764	9,689	12918.95%	1,000	10,467	9,467	946.67%	10,000	9,000	(467)	900.00%	-4.46%
Total Revenue	**458,575**	**321,348**	**(137,227)**	**-29.92%**	**387,500**	**281,113**	**(106,387)**	**-27.45%**	**347,500**	**(40,000)**	**66,387**	**-10.32%**	**23.62%**
Expenses													
Payroll	689,668	469,655	220,013	31.90%	578,647	352,431	226,216	39.09%	620,595	(41,948)	(268,164)	-7.25%	-76.09%
Payroll Taxes	55,055	38,086	16,969	30.82%	46,844	27,049	19,795	42.26%	47,475	(631)	(20,426)	-1.35%	-75.51%
Workers Compensation	3,910	2,577	1,333	34.09%	3,554	14,610	(11,056)	-311.09%	14,816	(11,262)	(206)	-316.88%	-1.41%
Employee Benefits	127,757	50,253	77,504	60.66%	58,601	33,550	25,051	42.75%	61,592	(2,991)	(28,041)	-5.10%	-83.58%
Retirement Expense	23,265	15,955	7,310	31.42%	20,562	14,370	6,192	30.11%	16,543	4,019	(2,173)	19.55%	-15.12%
Consulting Services	5,000	2,433	2,567	51.34%	-	-	-	0.00%		-	-	0.00%	0.00%
Contract Services	1,500	-	1,500	100.00%	-	-	-	0.00%		-	-	0.00%	0.00%
Professional Fees	100,000	133,754	(33,754)	-33.75%	90,000	57,381	32,619	36.24%	100,000	(10,000)	(42,619)	-11.11%	-74.27%
Uniforms & Cleaning	200	-	200	100.00%	-	-	-	0.00%		-	-	0.00%	0.00%
Vehicle Operating Lease	-	-	-	0.00%	-	-	-	0.00%	10,492	(10,492)	(10,492)	0.00%	0.00%
Dues & Subscriptions	1,200	1,892	(692)	-57.70%	850	2,052	(1,202)	-141.35%	2,000	(1,150)	52	-135.29%	2.51%
Travel & Business Expense	1,200	731	469	39.05%	-	-	-	0.00%		-	-	0.00%	0.00%
Education & Training	1,200	-	1,200	100.00%	850	-	850	100.00%		850	-	100.00%	0.00%
Printing & Reproduction	5,000	120	4,880	97.60%	-	-	-	0.00%		-	-	0.00%	0.00%
Interest Expense	1,000	1,106	(106)	-10.60%	1,000	7,255	(6,255)	-625.48%	7,000	(6,000)	255	-600.00%	3.51%
Total Expenses	**1,015,955**	**717,414**	**298,541**	**29.39%**	**800,908**	**509,227**	**291,681**	**36.42%**	**880,513**	**(79,605)**	**(371,286)**	**-9.94%**	**-72.91%**
Net Income (Loss)	**(557,380)**	**(396,065)**	**161,315**	**28.94%**	**(413,408)**	**(228,114)**	**185,294**	**44.82%**	**(533,013)**	**(119,605)**	**(304,899)**	**28.93%**	**133.66%**

FY2025-26 Draft Budget for The Sea Ranch Association
January 10, 2025 Finance Committee Meeting

Administration

	2023-24				2024-25				2025-26				
	Budget	Actual	Var $'s	Var %	Budget	Projected	Var $'s	Var %	Budget	Var to PB	Var to PA	% to PB	% to PA
Revenue													
Total Revenue	-	-	-	**0.00%**	-	-	-	**0.00%**	-	-	-	**0.00%**	**0.00%**
Expenses													
Payroll	299,390	231,489	67,901	22.68%	276,058	220,491	55,567	20.13%	239,069	36,989	(18,578)	13.40%	-8.43%
Payroll Taxes	18,516	15,522	2,994	16.17%	20,643	11,283	9,360	45.34%	18,287	2,356	(7,004)	11.41%	-62.07%
Workers Compensation	2,657	815	1,842	69.34%	1,126	1,385	(259)	-23.03%	1,464	(338)	(79)	-30.02%	-5.68%
Employee Benefits	21,558	18,724	2,834	13.14%	20,318	20,123	195	0.96%	23,069	(2,751)	(2,946)	-13.54%	-14.64%
Retirement Expense	-	2,332	(2,332)	0.00%	13,802	8,668	5,134	37.20%	11,956	1,846	(3,288)	13.37%	-37.94%
Less: Labor Distribution	(28,070)	(6,262)	(21,808)	77.69%	-	(17,109)	17,109	0.00%	(22,499)	22,499	5,390	0.00%	-31.50%
Bluff Cypress Management	1,600	-	1,600	100.00%	-	-	-	0.00%		-	-	0.00%	0.00%
Special Projects - Community Mgr	30,000	283	29,717	99.06%	20,000	30,000	(10,000)	-50.00%	20,000	-	10,000	0.00%	33.33%
Professional Fees	40,000	3,200	36,800	92.00%	5,000	8,190	(3,190)	-63.80%	10,000	(5,000)	(1,810)	-100.00%	-22.10%
Committee Expenses	23,700	22,161	1,539	6.49%	14,400	2,980	11,420	79.31%	24,500	(10,100)	(21,520)	-70.14%	-722.14%
CCNM Monitoring Expense	5,200	340	4,860	93.46%	3,200	338	2,863	89.45%	2,000	1,200	(1,663)	37.50%	-492.59%
Volunteer Recognition	2,700	3,640	(940)	-34.82%	5,000	5,354	(354)	-7.08%	5,000	-	354	0.00%	6.61%
CC&R Violations Legal Fees	10,000	3,668	6,332	63.32%	5,000	2,390	2,610	52.19%	5,000	-	(2,610)	0.00%	-109.17%
Legal Fees	190,000	188,054	1,946	1.02%	220,000	158,608	61,392	27.91%	220,000	-	(61,392)	0.00%	-38.71%
Board Meetings Expense	-	5,279	(5,279)	0.00%	2,500	3,865	(1,365)	-54.59%	7,000	(4,500)	(3,135)	-180.00%	-81.12%
Dues & Subscriptions	500	-	500	100.00%	-	-	-	0.00%		-	-	0.00%	0.00%
Travel & Business Expense	10,000	840	9,160	91.60%	3,500	1,820	1,680	47.99%	2,000	1,500	(180)	42.86%	-9.88%
Education & Training	1,800	-	1,800	100.00%	7,500	-	7,500	100.00%	7,500	-	(7,500)	0.00%	0.00%
Total Expenses	**629,551**	**490,085**	**139,466**	**22.15%**	**618,047**	**458,386**	**159,661**	**25.83%**	**574,346**	**43,701**	**(115,959)**	**7.07%**	**-25.30%**
Net Income (Loss)	**(629,551)**	**(490,085)**	**139,466**	**22.15%**	**(618,047)**	**(458,386)**	**159,661**	**25.83%**	**(574,346)**	**43,701**	**(115,959)**	**-7.07%**	**25.30%**

Exhibit 2: Member Questions and Answers About the FY2025-26 Budget

EXHIBIT 2: QUESTIONS AND ANSWERS ON THE FY2025-26 PRELIMINARY BUDGET

Q1: **Smoothing Project Costs Across Fiscal Years**. Can we even out the ups and downs of P&E and D&R Fund projects across fiscal years?

A1: Yes. Projects can be spread further out across fiscal years. Existing reserve fund balances can be used to offset project costs in addition to new assessment revenue. Special assessments could be used instead of accrued assessments for items such as one-time storm expenses.

The FY2025-26 Draft Budget uses available D&R Fund balances to pay for a portion of projects proposed for FY2025-26. Specifically, the Del Mar Heat Pumps ($165,000) and Bio-Char Pilot ($35,000) are proposed to be paid for from the D&R Fund available balance. These projects were previously assumed to have been paid for from the P&E Fund, however the more appropriate place for such projects given they are new installations sits narrowly outside the P&E Fund and with the D&R Fund. The D&R fund will have a balance at FY 2024-25 year-end of approximately $295,000. With proposed D&R assessments for FY2025-26 of $125,580 the total funds available of $420,580 are sufficient to cover the $410,600 of D&R projects proposed in FY2025-26.

To smooth the P&E Fund projects this year, each was evaluated for necessity to occur in FY2025-26. One larger project at the equestrian center, the paddock roofs ($76,385), was deemed to be a priority project that can afford to be push out one year to when the project burden on assessments is not anticipated to be as great at that proposed for FY2025-26.

Q2: **Cost Trimming by Outsourcing or Other Work Transfer Approaches**. Are there ways to trim from the budget by outsourcing work? Such as by outsourcing more wood-chipping?

A2: Yes. An excavator purchase ($130,000) is proposed to 1) reduce our reliance on out-sourced contractor work to relocate large logs and to 2) reduce our need to feed chippers by hand (resulting in anticipated reduced workers compensation claims over time – and already assisted in negotiating a lower premium increase for workers compensation, a $94,000 savings in FY 2025-26). There may be additional approaches which we will continue to explore.

Q3: Cost Assessment of County- and TSRA-Performed Beach Access Repairs. Can a cost assessment be done to evaluate doing work on beach stairs directly by TSRA compared to work by the County?

A3: In addition to cost differential between TSRA- and County-performed work, the scope of work varies between County work to repair beach-access and TSRA work. The County work scope is typically more comprehensive (for example resulting in the $2MM+ and growing cost estimate to repair Stengel Beach Stairs – due to the need to stabilize the bluff from water-induced erosion) than what TSRA would propose. TSRA could undertake its own scoping and engineering work to arrive at a cost estimate – and could then see if the County would be willing to delegate such work to TSRA. The desire to re-open Stengel Beach stairs remains a high interest topic for TSRA members. This warrants a continued discussion and exploration at both operational (staff) and policy (Board) levels.