

South Bay Community Association  
Income & Expense Budget vs. Actual  
July 2025 through June 2026

	10+2 FORECAST	CURRENT BUDGET	PROPOSED BUDGET	VARIANCE		NARRATIVE
	July '25 - Jun '26	July '25 - Jun '26	July '26 - Jun '27	Actual vs. Proposed	%	Actual vs. Proposed
Ordinary Income/Expense						
Income						
4000 · Assessments Oper/Reserve						
4001 · Member Assessments - Regular	853,173	837,525	931,000	\$ 77,826.78	9.12%	\$25 PQ INCREASE
4002 · Associate Member Fees	24,000	9,000	0	\$ (24,000.00)	-100.0%	ASSOC. MEMBERS AT LIMIT
4003 · Member Assessments - Special		1,200		\$ -		
4004 · Interest & Fees	3,716	0	900			
Total 4000 · Assessments Oper/Reserve	880,889	847,725	931,900	\$ 51,010.82	5.79%	
4100 · Facility Use Revenue						
Total 4100 · Facility Use Revenue	68,079	68,812	69,979	\$ 1,900.49	2.79%	
4150 · Administrative & User Fees						
Total 4150 · Administrative & User Fees	12,815	4,800	5,400	\$ (7,415.32)	-57.86%	1x large collection in 2026-2027
4200 · Other Income						
4201 · Interest Income	1,364	180	180	\$ (1,183.93)	-86.8%	
4202 · Donations	88					
4203 · Capital Contributions	21,224	21,225	46,695	\$ 25,471.00	120.01%	Increase in sales in OTII P2
4204 · Club Services	296	900	540	\$ 243.70	82.25%	
Total 4200 · Other Income	22,972	22,305	47,415	\$ 24,442.77	106.4%	
4250 · Interest Income - Operations						
4251 · Reg Interest Income		1,200	1,200	\$ -		
Total 4250 · Interest Income - Operations	1,122	1,200	1,200	\$ 78.33	6.98%	
Total Income	985,877	944,842	1,055,894	\$ 70,017.09	7.1%	
Gross Income	985,877	944,842	1,055,894	\$ 70,017.09	7.1%	
Expense						
6001 · Business Licenses and Permits	6,218	7,000	7,000	\$ 782.00	12.58%	
6002 · Computer and Internet Expenses	0	212	200	\$ 200.00	100.0%	
6003 · Copier Lease	5,128	6,390	6,000	\$ 872.26	17.01%	
6004 · Printing and Reproduction	4,027	3,500	4,000	\$ (26.66)	-0.66%	
6005 · Permits and Fees	457					
6020 · Dues and Subscriptions						
Total 6020 · Dues and Subscriptions	8,128	10,462	12,580	\$ 4,451.57	54.77%	QB Payroll Increase
6030 · Bank Charges	716	660	660	\$ (55.91)	-7.81%	
6050 · Insurance Expense						
6051 · Commercial Package	36,822	39,000	45,400	\$ 8,578.00	23.3%	GL coverages, net increase
6052 · Professional Liability	8,333	7,102	7,500	\$ (833.00)	-10.0%	
6053 · Paid Instructor GL Coverage	4,948	5,271	5,600	\$ 652.45	13.19%	Liq. Liability Policy increase
Total 6050 · Insurance Expense	50,103	51,373	58,500	\$ 8,397.45	16.76%	
6060 · Professional Fees						
6061 · Club Mgmt. Software	5,556	5,550	6,142	\$ 585.88	10.54%	
6064 · IT Support	0	350	350	\$ 350.00	100.0%	
6065 · Accountant Fees	3,440	6,000	4,000	\$ 560.00	16.28%	
6067 · Legal Fees	16,956	12,000	18,000	\$ 1,043.74	6.16%	
6068 · Website Management			600			
6070 · SBCA Event Speakers	800	1,500	1,500	\$ 700.00	87.5%	
Total 6060 · Professional Fees	26,752	25,400	30,592	\$ 3,839.62	14.35%	
6080 · Meals and Entertainment	46	1,000	1,000	\$ 954.00	100.0%	
6081 · Travel Expense	0	150	150	\$ -		
6099 · Miscellaneous Expenses	-32					
6100 · Repairs and Maintenance						
6101 · Pool						
Total 6101 · Pool	8,813	9,381	9,176	\$ 362.56	4.11%	
6109 · R&M - Special Project	7,461	7,500	20,000	\$ 12,539.46	168.08%	
6110 · Contract Maintenance						
Total 6110 · Contract Maintenance	29,192	29,965	39,044	\$ 9,852.31	33.75%	Added Website Maint. & Tile & Grout Services
6123 · Tools	107	100	100	\$ (6.59)	-6.18%	
6124 · Maint. Materials	0	150	150	\$ 150.00	100.0%	
6125 · Computer & Network	0	500	500	\$ 500.00	100.0%	
6126 · Building Maintenance						
Total 6126 · Building Maintenance	6,636	5,100	7,025	\$ 389.00	5.86%	
6128 · Equipment Maintenance						
Total 6128 · Equipment Maintenance	1,041	1,350	1,150	\$ 109.46	10.52%	
6134 · Landscaping and Grounds Mainten						
Total 6134 · Landscaping and Grounds Mainten	27,005	34,810	38,800	\$ 11,795.14	43.68%	Deferred large expense planned in 2026-2027
Total 6100 · Repairs and Maintenance	80,254	88,856	115,945	\$ 35,691.34	44.47%	
6149 · Contingency - Emerg. Repairs	3,107	3,000	3,000	\$ (106.74)	-3.44%	
6200 · Supplies						
Total 6200 · Supplies	50,008	54,889	54,562	\$ 4,554.42	9.11%	
6300 · Payroll Expenses Wages						
6301 · Salary						
Total 6300 · Payroll Expenses Wages	328,133	363,926	371,393	\$ 43,260.34	13.18%	Do not plan on operating at staff deficit

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	10+2 FORECAST	CURRENT BUDGET	PROPOSED BUDGET	VARIANCE		NARRATIVE
	July '25 - Jun '26	July '25 - Jun '26	July '26 - Jun '27	Actual vs. Proposed	%	Actual vs. Proposed
6320 · Employee Benefit Expense						
6321 · Health Insurance						
Total 6321 · Health Insurance	41,798	40,881	47,806	\$ 6,008.04	14.37%	
Total 6320 · Employee Benefit Expense	41,798	40,881	47,806	\$ 6,008.04	14.37%	
6330 · Payroll Tax Expense						
Total 6330 · Payroll Tax Expense	31,393	37,256	35,760	\$ 4,367.13	13.91%	
6360 · Employee & Hiring Expenses						
Total 6360 · Employee & Hiring Expenses	21	2,150	2,650	\$ 2,629.27	100.0%	
6370 · Employee Education	0	750	750	\$ 750.00	100.0%	
6371 · Continuing Education	0	500	500	\$ 500.00	100.0%	
6600 · Utilities						
Total 6600 · Utilities	82,638	74,143	74,697	\$ (7,940.91)	-9.61%	reduced irrigation expense
6800 · Taxes						
6801 · Sales Tax Expense	-43					
6804 · Property Taxes	107	24	24	\$ (82.53)	-77.47%	
Total 6800 · Taxes	64	24	24	\$ (39.81)	-62.39%	
6951 · Monthly Reserve Account Payment						
6953 · Budgeted Mo. Contribution	172,320	172,320	190,320	\$ 18,000.00	10.45%	
6953.1 · Rainy Day Fund Contribution			37,805	\$ 37,805.00	100.0%	Rebuild supplement for Rainy Day Fund
6951 · Monthly Reserve Account Payment - Other	0	0	0	\$ -		
Total 6951 · Monthly Reserve Account Payment	172,320	172,320	228,125	\$ 55,805.00	32.38%	
6966 · Bank Service Charges	30					
Total Expense	891,307	944,842	1,055,894	\$ 164,587.35	18.47%	
Net Ordinary Income	94,570	0	0	\$ (94,570.26)	-100.0%	
Other Income/Expense						
Other Income						
7000 · Interest Income						
Total 7000 · Interest Income	4,315	3,600	4,800	\$ 484.68	11.23%	
7900 · Monthly Deposits to Reserves						
Total 7900 · Monthly Deposits to Reserves	172,320	172,320	190,320	\$ 18,000.00	10.45%	\$26.04 per unit, per mo.
Total Other Income	176,635	175,920	195,120	\$ 18,484.68	10.46%	
Other Expense						
8000 · Reserve Expenses						
8003 · Reserve Item Expense	70,559	72,500	228,500	\$ 157,941.14	223.84%	Asphalt resurface \$155K
Total 8000 · Reserve Expenses	70,559	72,500	228,500	\$ 157,941.14	223.84%	
8200 · Income Tax Expense	741					
Total Other Expense	71,300	72,500	228,500	\$ 157,199.71	220.48%	
Net Other Income	105,335	103,420	-33,380	\$ (138,715.03)	-131.69%	
Net Income	199,905	103,420	-33,380	\$ (233,285.29)	-116.7%	

**SOUTH BAY COMMUNITY ASSOCIATION**  
**Reserve Study/Funding Plan**  
**2026/2027**

1. Est. balance of Reserve Funds on 6/30/2026: **\$326,924**
  
2. Recommended Fiscal Year 2026/27 Reserve Budget:
  - **Interior Projects:** Replace hot water heater and electrical panel in Pool Pump Room, Reserve Study update. **\$18,500**
  
  - **Exterior Projects:** Bay Club Entry Landscape Project, asphalt/resurfacing. **\$210,000**
  
3. 2025/2026 annual contribution to reserve account: \$ 172,320 FY
  
4. Recommended contribution (from 2023 Reserve Study) for 2026/2027 FY : (\$26.04 per unit, per mo.) **\$ 190,320 FY**
  
5. **Full Funding Plan** upon which the recommended contribution rate is based: Association Reserves  
2023 Reserve Study Update
  
6. Increase to Regular Assessment Rate for 2026/27: **\$25 PER QTR / \$100 PER YR**
  
7. Special Assessments: None anticipated
  
8. The SBCA Reserve Component List is available from the General Manager upon request.
  
9. SBCA's planned contribution to Reserves for the 2026/2027 fiscal year, totaling \$190,320, constitutes 20% of the total assessment contributions (Revenue) from SBCA members for the same period.
  
10. **The new 2026-2027 regular assessment rate will be \$350.** Assessments are due quarterly on the following dates; January 1, April 1, July 1, and October 1.

Net After Tax Interest: 1.5%	Avg 30-Yr Inflation: 3.5%
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Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)	Projected Reserve Balance Changes
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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase In Annual Reserve Funding	Reserve Funding	Loan or Special Assmt	Interest Income	Reserve Expenses
2026	\$326,924	\$1,096,126	29.8%	High	233.89%	\$190,320	\$0	\$4,649	\$228,500
2027	\$293,393	\$1,031,590	28.4%	High	3.00%	\$196,030	\$0	\$4,488	\$188,474
2028	\$305,438	\$1,010,899	30.2%	Medium	3.00%	\$201,910	\$0	\$5,746	\$51,954
2029	\$461,140	\$1,135,620	40.6%	Medium	3.00%	\$207,968	\$0	\$7,953	\$77,056
2030	\$600,005	\$1,243,735	48.2%	Medium	3.00%	\$214,207	\$0	\$10,033	\$85,605
2031	\$738,640	\$1,351,971	54.6%	Medium	3.00%	\$220,633	\$0	\$12,240	\$77,081
2032	\$894,432	\$1,478,183	60.5%	Medium	3.00%	\$227,252	\$0	\$13,183	\$270,375
2033	\$864,493	\$1,414,306	61.1%	Medium	3.00%	\$234,070	\$0	\$14,623	\$26,718
2034	\$1,086,468	\$1,606,127	67.6%	Medium	3.00%	\$241,092	\$0	\$16,829	\$185,538
2035	\$1,158,850	\$1,646,231	70.4%	Low	3.00%	\$248,324	\$0	\$19,062	\$41,841
2036	\$1,384,395	\$1,842,623	75.1%	Low	3.00%	\$255,774	\$0	\$21,296	\$204,537
2037	\$1,456,929	\$1,883,872	77.3%	Low	3.00%	\$263,447	\$0	\$22,510	\$196,512
2038	\$1,546,375	\$1,941,465	79.6%	Low	3.00%	\$271,351	\$0	\$24,977	\$56,665
2039	\$1,786,038	\$2,152,643	83.0%	Low	3.00%	\$279,491	\$0	\$27,828	\$166,561
2040	\$1,926,796	\$2,264,535	85.1%	Low	3.00%	\$287,876	\$0	\$30,744	\$70,413
2041	\$2,175,002	\$2,487,169	87.4%	Low	3.00%	\$296,512	\$0	\$31,174	\$518,520
2042	\$1,984,168	\$2,261,373	87.7%	Low	3.00%	\$305,408	\$0	\$32,058	\$28,611
2043	\$2,293,023	\$2,542,565	90.2%	Low	3.00%	\$314,570	\$0	\$36,576	\$57,250
2044	\$2,586,919	\$2,812,064	92.0%	Low	3.00%	\$324,007	\$0	\$38,047	\$459,636
2045	\$2,489,338	\$2,682,919	92.8%	Low	3.00%	\$333,727	\$0	\$39,719	\$52,869
2046	\$2,809,915	\$2,978,943	94.3%	Low	3.00%	\$343,739	\$0	\$43,769	\$167,739
2047	\$3,029,684	\$3,175,426	95.4%	Low	3.00%	\$354,051	\$0	\$45,274	\$418,271
2048	\$3,010,739	\$3,128,790	96.2%	Low	3.00%	\$364,673	\$0	\$47,905	\$42,630
2049	\$3,380,686	\$3,478,940	97.2%	Low	3.00%	\$375,613	\$0	\$52,922	\$129,058
2050	\$3,680,164	\$3,761,859	97.8%	Low	3.00%	\$386,881	\$0	\$57,571	\$123,756
2051	\$4,000,859	\$4,070,482	98.3%	Low	3.00%	\$398,488	\$0	\$62,856	\$76,805
2052	\$4,385,398	\$4,449,179	98.6%	Low	2.50%	\$408,450	\$0	\$68,886	\$57,480
2053	\$4,805,254	\$4,872,181	98.6%	Low	2.50%	\$418,661	\$0	\$74,840	\$118,984
2054	\$5,179,771	\$5,257,770	98.5%	Low	2.50%	\$429,128	\$0	\$79,240	\$295,817
2055	\$5,392,321	\$5,485,669	98.3%	Low	2.50%	\$439,856	\$0	\$84,101	\$87,865