



BUSINESS ACTION ITEM STAFF REPORT

ITEM 8A. Review and Approval of Mid-Year Budget-to-Actual Report and Adjustments

Recommendation:

Review the Mid-Year Budget-to-Actual Report and approve recommended budget adjustments

Discussion:

Your board approved a preliminary annual budget for 2025-26 on July 3, 2025, and adopted a final budget on September 4, 2025. The adopted budget was developed based on information known at the time. The District now has a record of actual revenue and expenditures for the first six months of the year.

Revenue for the first half of the year lagged behind the projected amount. A rate increase was completed in January that will bring in additional revenue through the rest of the year. Collection of delinquent accounts and maintenance of faulty meters are also supporting increasing revenue.

Based on actual expenditures some expense categories can be reduced while others need increases, including the addition of expenses for the CalWARN response, which was approved after the budget was developed. Staff recommends the attached budget adjustments to reflect anticipated revenue and expenditures,

The budget represents the potential income and expense by account through the year. Staff will continue to focus on managing both revenues and expenses to improve the year-end actual results.

Staff requests the board approve the recommended budget adjustments.

Attachments:

1. Recommended Budget Adjustments
2. Mid-Year Budget-to-Actual Report

**San Simeon Community Services District
Mid-Year Budget Adjustments
February 2026**

Account	Name	Adopted	Adjusted	Change
Revenue				
8020	Interest- money market	-	28	28
4013	Late fees & adjustments	-	2,332	2,332
Total Revenue				2,360
Expenses				
6045	Electrical Power	85,189	125,000	39,811
6115	Miscellaneous Expenses	-	2,330	2,330
6120	Office Expenses	44,994	66,994	22,000
6130	Operating Repairs & Supplies	14,838	-	(14,838)
6145	Professional Fees	120,000	34,000	(86,000)
6180	Street lights	22,417	-	(22,417)
6200	Violations	-	3,000	3,000
	County CalWARN Response	-	160,000	160,000
Total Expenses				103,886
Net adjustment Income/(Loss)				(101,526)

San Simeon Community Services District
Budget to Actual AP06
Fiscal Year 2025-2026

Fund Accounts		Wastewater Fund	Water Fund	Roads, Lighting, Weed Abatement	Total Adopted Budget	AP06 Actual		Current Projection	Variance
Allocations		65%	30%	5%	100%				
4000	Operating Revenues								
4005	Utility fees-waste Anticipated revenue- water	\$ 575,914	\$0	\$0	\$ 575,914	\$257,500 45%	\$ 575,914	\$ -	
4010	Utility fees-water Anticipated revenue- wastewater	\$0	\$524,862	\$0	\$ 524,862	\$ 234,365 45%	\$ 524,862	\$ -	
4012	Meter/Service fees Anticipated revenue- other	\$0	\$127,491	\$0	\$ 127,491	\$ 52,746 41%	\$ 127,491	\$ -	
4050	State Parks-wastewater	\$60,500	\$0	\$0	\$ 60,500	\$24,673 41%	\$ 60,500	\$ -	
	Total Operating Revenue	\$636,414	\$652,353	\$0	\$1,288,767	\$569,284 44%	\$1,288,767	\$0	
	Property Taxes								
4100	Prop Tax Income	\$0	\$0	\$119,029.00	\$ 119,029	\$33,629 28%	\$119,029	\$ -	
	Total Property Taxes	\$0	\$0	\$119,029.00	\$119,029	\$33,629 28%	\$119,029	\$0	
	Other Income								
8010	Interest Income - CLASS	\$32,500	\$15,000	\$2,500	\$50,000	\$22,458 45%	\$50,000	\$ -	
8020	Interest- money market	\$0	\$0	\$0	\$0	\$14	\$28	\$ 28	
8044	Grant Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
4013	Late fees & adjustments	\$0	\$0	\$0	\$0	\$2,332	\$2,332	\$ 2,332	
	Total other Income	\$32,500	\$15,000	\$2,500	\$50,000	\$24,804 50%	\$52,360	\$2,360	
	Total Income	\$668,914	\$667,353	\$121,529	\$1,457,796	\$627,716 43%	\$1,460,156	\$2,360	
	Expense								
6000	Accounting	\$12,903	\$5,955	\$993	\$ 19,850	\$0 0%	\$ 19,850	\$ -	

San Simeon Community Services District
Budget to Actual AP06
Fiscal Year 2025-2026

Fund Accounts		Wastewater Fund	Water Fund	Roads, Lighting, Weed Abatement	Total Adopted Budget	AP06 Actual		Current Projection	Variance
6020	Bank Fees	\$1,098	\$507	\$84	\$ 1,689	\$879	52%	\$ 1,689	\$ -
6025	Bookkeeping	\$29,368	\$13,554	\$2,259	\$ 45,181	\$19,230	43%	\$ 45,181	\$ -
6030	Director Fees	\$2,340	\$1,080	\$180	\$ 3,600	\$2,200	61%	\$ 3,600	\$ -
6031	Payroll Expense	\$179	\$83	\$14	\$ 275	\$555	202%	\$ 275	\$ -
6035	Dues and Subscriptions	\$3,276	\$1,512	\$252	\$ 5,040	\$838	17%	\$ 5,040	\$ -
6045	Electrical Power	\$59,632	\$25,557	\$0	\$85,189	\$61,540	72%	\$125,000	\$ 39,811
6050	Election Expenses	\$263	\$122	\$20	\$ 405	\$0	0%	\$ 405	\$ -
6055	Road Maintenance	\$0	\$0	\$15,000	\$15,000	\$0	0%	\$15,000	\$ -
6060	RipRap Engineering	\$0	\$0	\$0	\$0				
6065	Equipment Rental	\$0	\$0	\$0	\$0				
6075	Insurance-PERS Health	\$0	\$0	\$0	\$0	\$0			
6076	Pension Plan - PERS Retirement	\$11,478	\$5,297	\$883	\$17,658	\$9,299	53%	\$17,658	\$ -
6080	Insurance - Liability	\$8,427	\$3,890	\$648	\$12,965	\$6,815	53%	\$12,965	\$ -
6095	LAFCO Costs Apportionment	\$2,265	\$1,045	\$174	\$3,484	\$0	0%	\$3,484	\$ -
6100	Legal Fees	\$70,535	\$32,555	\$5,426	\$108,515	\$61,058	56%	\$108,515	\$ -
6105	Licenses and permits	\$11,493	\$5,305	\$884	\$17,682	\$11,593	66%	\$17,682	\$ -
6110	Memberships and seminars	\$0	\$0		\$0				
6115	Miscellaneous expenses	\$0	\$0	\$0	\$0	\$655		\$2,330	\$ 2,330
6120	Office Expenses	\$29,246	\$13,498	\$2,250	\$ 44,994	\$32,206	72%	\$ 66,994	\$ 22,000
6125	O & M operations	\$467,147	\$251,540	\$0	\$ 718,687	\$327,563	46%	\$ 718,687	\$ -
6130	Operating Repairs & Supplies	\$9,645	\$5,193	\$0	\$14,838	\$0	0%	\$0	\$ (14,838)
6135	Weed Abatement	\$0	\$0	\$6,252	\$6,252	\$1,428	23%	\$6,252	\$ -
6145	Professional Fees	\$78,000	\$36,000	\$6,000	\$120,000	(\$1,851)		\$34,000	\$ (86,000)
6180	Street lights	\$0	0	\$22,417	\$22,417		0%	\$0	\$ (22,417)
6191	Emergency Water Standby	\$0	\$15,202	\$0	\$15,202		0%	\$15,202	\$ -
6192	Excess Repairs	\$65,000	\$30,000	\$5,000	\$100,000	\$13,964	14%	\$100,000	\$ -
6195	Website Support	\$4,290	\$1,980	\$330	\$6,600		0%	\$6,600	\$ -
6200	Violations				\$0	\$3,000		\$3,000	\$ 3,000

San Simeon Community Services District
Budget to Actual AP06
Fiscal Year 2025-2026

Fund Accounts	Wastewater Fund	Water Fund	Roads, Lighting, Weed Abatement	Total Adopted Budget	AP06 Actual	Current Projection	Variance
	\$866,583	\$449,875	\$69,066	\$1,385,523	\$550,972	40%	\$1,329,409 (\$56,114)
Other Expenses							
9010 Depreciation Expense	\$56,793	\$26,212	\$4,369	\$ 87,374	\$43,687	50%	\$ 87,374 \$ -
9030 Capital Projects/Improvements	\$0	\$0	\$0	\$0	\$0		
9020a Water Well Loan Interest	\$0	\$11,579	\$0	\$11,579	\$5,513	48%	\$11,579 \$ -
9020b Water Well Loan Repayment	\$0	\$9,111	\$0	\$9,111	\$4,832	53%	\$9,111 \$ -
Capital Project - Pipe Bridge Painti	\$7,000	\$3,000	\$0	\$10,000	\$0	0%	\$10,000 \$ -
Capital Proj- Outfall Line Repair	\$0	\$0	\$0	\$0			\$0 \$ -
Reorg Study	\$78,650	\$36,300	\$6,050	\$121,000	\$0	0%	\$121,000 \$ -
Reorg County & LAFCO Labor	\$13,000	\$6,000	\$1,000	\$20,000	\$0	0%	\$20,000 \$ -
County CalWARN Response	\$0	\$0	\$0	\$0			\$160,000 \$ 160,000
Total Other Expenses	155,443	\$92,202	\$11,419	\$259,064	\$54,032	21%	\$419,064 \$160,000
Total Expense	\$1,022,026	\$542,077	\$80,485	\$1,644,587	\$605,005	37%	\$1,748,473 \$103,886
Net Operating Income(Loss)	(\$353,112)	\$125,276	\$41,045	(\$186,791)	\$22,711		(\$288,317) (\$101,526)