

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT PLANT PROJECT
2026 ANNUAL BUDGET

DRAFT

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
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2026 ANNUAL BUDGET

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COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
BUDGET SUMMARY
2026 ANNUAL BUDGET

<u>APPLICATION OF FUNDS</u>	<u>2025 BUDGET</u>	<u>2025 PROJECTED</u>	<u>2026 BUDGET</u>
Expenditures (1)	\$2,341,050	\$2,192,100	\$2,559,750
Capital Outlay (2)	0	0	934,561
Debt Service	0	0	0
Comparative Subtotal	<u>2,341,050</u>	<u>2,192,100</u>	<u>3,494,311</u>
Total Expenditures	2,341,050	2,192,100	3,494,311
Ending Fund Balances	<u>390,165</u>	<u>1,115,065</u>	<u>432,167</u>
Total Applications	<u>2,731,215</u>	<u>3,307,165</u>	<u>3,926,478</u>
 <u>SOURCE OF FUNDS</u>			
Beginning Fund Balances	405,389	405,389	1,115,065
Investment Income	17,500	42,000	9,235
Subtotal Sources	<u>422,889</u>	<u>447,389</u>	<u>1,124,300</u>
System Revenue	<u>\$2,308,326</u>	<u>\$2,859,776</u>	<u>\$2,802,178</u>

- (1) Includes assets purchased.
(2) Design for admin/control building.

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
FACTS AND ASSUMPTIONS
2026 ANNUAL BUDGET

FACTS

1. The 2026 budget is prepared on a cash basis.
2. Water Treatment Plant books and records consist of two funds, which are the Operating Fund and the Special Projects Emergency Reserve.
3. The required fund balances have been reflected at the minimum operating balances.
4. Water Treatment Plant is charged with direct salary and costs as well as an allocation of certain general items based upon an overall payroll allocation of 9.0%.

ASSUMPTIONS

1. Salaries include funding the employee benefits of one field retiree.
2. Assumes timely payment of billings by Pasadena Refinery Systems, Inc. (Chevron) and Sekisui Special Chemicals America, LLC.
3. The Operating Fund should be maintained to adequately provide funding for two months' operating reserve. Such amount is \$432,167 for 2026.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 RECONCILIATION OF 2025 BUDGET TO 2026 BUDGET

	2025 to 2026 Budget
2025 Budget	<u>\$2,341,050</u>
Field Salaries	(49,560)
Materials & Supplies	18,890
Contract Labor & Equipment	155,720
Utilities	1,550
Administrative Expense (Includes Pension, Social Security Costs)	(17,700)
General Operating Expenses (Insurance)	76,200
Engineering, Legal & Professional	<u>33,600</u>
Subtotal	<u>218,700</u>
2026 Budget	<u><u>\$2,559,750</u></u>

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 STATEMENT OF REVENUES AND EXPENDITURES
 2026 ANNUAL BUDGET

	2025 BUDGET	2025 PROJECTED	2026 BUDGET
REVENUES & LOAN PROCEEDS:			
Interest on Investments	\$17,500	\$42,000	\$17,500
Service Revenues	2,121,700	2,859,776	2,802,177
Total Revenue	2,139,200	2,901,776	2,819,677
Total Revenues :	2,139,200	2,901,776	2,819,677
EXPENDITURES			
Field Salaries	719,820	615,000	670,260
Materials & Supplies	685,760	627,000	704,650
Contract Labor & Equipment (1)	88,170	81,000	243,890
Utilities	126,200	112,000	127,750
Administrative Expenses	356,200	370,800	338,500
General Operating Expenses	272,900	312,300	349,100
Engineering, Legal & Professional	92,000	74,000	125,600
Subtotal	2,341,050	2,192,100	2,559,750
Total Expenditures	2,341,050	2,192,100	2,559,750

(1) Includes assets purchased.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 RECONCILIATION OF FUND ACTIVITY
 2026 ANNUAL BUDGET

	OPERATING FUND	SPECIAL PROJECTS EMERGENCY RESERVE	TOTAL WATER TREATMENT PLANT
Beginning Balance	\$1,115,065	\$236,135	\$1,351,200
Service Revenue	2,802,177	0	2,802,177
Interest Earnings	9,235	8,265	17,500
Expenses	(2,559,750)	0	(2,559,750)
Capital Outlay	(934,561)		(934,561)
Net Activity	<u>(682,898)</u>	<u>8,265</u>	<u>(674,634)</u>
Ending Balance	<u>\$432,167</u>	<u>\$244,400</u>	<u>\$676,566</u>

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 REVENUES AND BILLING RATES
 2026 ANNUAL BUDGET

	<u>2025 BUDGET</u>	<u>2025 PROJECTED</u>	<u>2026 BUDGET</u>	
Gallons (in thousands)	1,168,000	1,573,900	1,542,200	
Rate/1000 gallons	\$1.817	\$1.817	\$1.817	(1)
Revenue	<u><u>\$2,121,700</u></u>	<u><u>\$2,859,776</u></u>	<u><u>\$2,802,177</u></u>	

- (1) Budget rate for 2026 assumes average daily water volume demand of 3.0 MGD for Pasadena Refinery Systems and 1.2 MGD for Sekisui Special Chemicals America, LLC. Any changes to this assumption will impact the rate per 1000 gallons

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
INVESTMENT AND OTHER INCOME
2026 ANNUAL BUDGET

INVESTMENT INCOME

Average Operating Cash and Investments	\$500,000
Average Effective Interest Rate	3.50%
Total	<u><u>\$17,500</u></u>

OTHER INCOME

Water Treatment Plant does not anticipate any miscellaneous income.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 SUMMARY OF GENERAL AND ADMINISTRATIVE EXPENDITURES
 2026 ANNUAL BUDGET

<u>GENERAL AND ADMINISTRATIVE EXPENDITURES</u>	<u>2025 BUDGET</u>	<u>2025 PROJECTED</u>	<u>2026 BUDGET</u>
ADMINISTRATIVE	\$356,200	\$370,800	\$338,500
GENERAL OPERATING (Insurance)	272,900	312,300	349,100
ENGINEERING, LEGAL & PROFESSIONAL	<u>92,000</u>	<u>74,000</u>	<u>125,600</u>
Total	<u>\$721,100</u>	<u>\$757,100</u>	<u>\$813,200</u>

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COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 ADMINISTRATIVE EXPENSES
 2026 ANNUAL BUDGET

Administrative Salaries	\$117,000	(1)
Pension Plan Contribution (11.8% of total compensation)	92,897	
Payroll Taxes (7.65% of total compensation)	60,225	
Office Lease and Utilities	40,500	(1)
Office Supplies	3,600	(1)
Travel, Meetings and Parking	2,700	(1)
Directors Compensation	4,050	(1)
Printing and Reproduction	2,700	(1)
Telephone/ Data Maintenance	4,500	(1)
Vehicle: Gas & Maintenance	2,700	(1)
Payroll / Employee Processing Services	4,050	(1)
Miscellaneous	3,600	(1)
	\$338,522	

(1) Allocated based upon payroll estimate of 9%.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 OFFICE SALARY ALLOCATION
 2026 ANNUAL BUDGET

Executive Director

Finance Manager

HR Manager

Chief Accountant

Senior Accountant

Senior Accountant

Accountant

Payroll / Pension Coordinator

Executive Secretary

	Base Office Salaries	1,300,000
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	Office Allocation Factor (1)	9.0%
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	Red Bluff Water Treatment Office Salaries	\$117,000
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(1) Based upon payroll estimate allocation of 9.0%.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 GENERAL OPERATING EXPENSES
 2026 ANNUAL BUDGET

INSURANCE PREMIUM DESCRIPTION

Property Insurance	\$ 16,500	(1) (6)
Texas Commercial Policy (General Liability)	2,250	(3) (5)
Public Official & Employees Errors and Omissions	1,080	(3) (5) (7)
Pension - Fidelity Bond	45	(3) (4)
Pension - Fiduciary Responsibility	630	(3) (5)
Medical Insurance	284,643	(3) (7) (8)
Public Official Position (Director Fidelity)	90	(3) (4)
Automobile Insurance	3,150	(3) (5)
Workers Compensation	15,030	(3) (6) (7)
Dental Insurance	9,450	(3) (5) (7)
Vision Insurance	2,700	(3) (5) (7)
Combined Group Life/Short Term & Long Term Disability	13,500	(3) (5) (7)
	<u>\$ 349,068</u>	

- (1) Allocated based upon total insurable value of 2%.
- (3) Allocated based upon total payroll estimate of 9.0%.
- (4) Assumes no rate increase.
- (5) Assumes 5% rate increase.
- (6) Assumes 10% rate increase.
- (7) Assumes full employment.
- (8) Assumes 15% rate increase.

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
ENGINEERING, LEGAL AND PROFESSIONAL EXPENSES
2026 ANNUAL BUDGET

Engineering Services - (M&O)	75,000 (1)
Legal Services	15,000 (3)
Accounting & Auditing	9,000 (2)
Computer Support services	9,000 (2)
Website Development & Maintenance	3,600 (2)
Hardware, Software Upgrades and Maintenance	9,000 (2)
Miscellaneous Bank Fees	5,000 (3)
	<u>\$125,600</u>

(1) Based upon specific services

(2) Allocated based upon total payroll estimate of 9.0%.

(3) Based upon specific and allocated services

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 SUMMARY OF FIELD EXPENDITURES
 2026 ANNUAL BUDGET

<u>FIELD EXPENDITURES</u>	<u>2025 BUDGET</u>	<u>2025 PROJECTED</u>	<u>2026 BUDGET</u>
SALARIES	\$719,820	\$615,000	\$670,260
MATERIALS & SUPPLIES	685,760	627,000	704,650
CONTRACT LABOR AND EQUIPMENT			
Contracted	88,170	81,000	163,890
Purchased	0	0	80,000
Subtotal	<u>88,170</u>	<u>81,000</u>	<u>243,890</u>
UTILITIES	126,200	112,000	127,750
Total	<u><u>\$1,619,950</u></u>	<u><u>\$1,435,000</u></u>	<u><u>\$1,746,550</u></u>

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 SUMMARY OF FIELD SALARIES BY LOCATION
 2026 ANNUAL BUDGET

<u>LOCATION</u>	<u>BASE COMPENSATION</u>	<u>RETIREE PAY (1)</u>	<u>5% OVERTIME (2)</u>	<u>TOTAL</u>
Water Treatment Plant	<u>\$628,815</u>	<u>\$10,000</u>	<u>\$31,441</u>	<u>\$670,256</u>

- (1) Allows for employee benefit payments to retirees.
 (2) Provides for minimum overtime.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 ANALYSIS OF BASE FIELD SALARIES BY FUNCTION AND LOCATION
 2026 ANNUAL BUDGET

<u>LOCATION AND FUNCTION</u>	<u># OF EMPLOYEES</u>	<u>MAN HOURS (4)</u>	<u>AVG. RATE PER HOUR</u>	<u>BASE SALARIES</u>
<u>MANAGEMENT (1)</u>				
Water Treatment Plant	0.11	229	\$85.19	\$19,509
<u>SUPERVISORY PERSONNEL (2)</u>				
Water Treatment Plant	0.66	1,352	73.69	99,629
<u>ALL OTHER PERSONNEL (3)</u>				
Water Treatment Plant	7.22	15,017	33.94	509,677
Total Base Salaries	<u>7.98</u>	<u>16,598</u>	<u>\$37.88</u>	<u>\$628,815</u>

- (1) Includes Manager of Operations, Manager of Security, Electrical Engineer, Senior Engineer, Construction Manager, and Chief Engineer.
- (2) Includes Superintendents, Master Electrician, Administrator OPM, Purchasing Agent, IT Manager, Projects Manager, Contracts Administrator, and Staff Engineer.
- (3) Includes Foremen, Electricians and Operators for construction, electrical, maintenance, and all routine operating functions.
- (4) Estimated number of employees at 2,080 hours per year.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 ANALYSIS OF MATERIALS AND SUPPLIES BY LOCATION
 2026 ANNUAL BUDGET

DESCRIPTION (1)

Air Conditioning Repair Parts	\$1,584
Automotive / Equipment Repair Parts	1,500
Building / Grounds Maintenance	1,440
CHEMICALS:	
-- Lime	416,250
-- Ferric Sulfate	126,000
-- Polymer	14,700
Diesel Fuel	1,414
Electrical / Instrument	8,640
Gasoline	1,367
Herbicides / Insecticides	2,000
Lab Test Equip&Supplies	2,500
Mechanical, Plumbing, Valves, etc.	34,400
Miscellaneous Supplies	41,298
Office / Administrative	14,514
Oils and Lubricants	14,400
Power Tools, Hand Tools & Equip.	7,880
Road Base, Sand, Rock, Rip Rap, etc.	2,000
Tires & Batteries	2,000
Welding Equipment & Supplies	3,000
Personal Protective Equipment	7,765
Total	<u><u>\$704,652</u></u>

(1) Water Treatment Plant is the only location.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 ANALYSIS OF CONTRACT LABOR AND EQUIPMENT BY LOCATION
 2026 ANNUAL BUDGET

DESCRIPTION (1)	
Contract Labor (Welders, Divers, Tech Spt, Etc.)	12,000
Security : Fencing Repairs/Replacement	7,200
Training: Safety (1st Aid, CPR, AED, CSE, etc.)	11,000
Trucking Services	30,000
4KV Remote Racking	15,000
Security Camera Upgrade/Installation	25,000
Water Analyzer Replacement	50,000
Annual Service Contracts:	
Pest Control Service	380
Uniform Service	5,000
Generator Load Testing	880
Asset Management Software	3,250
Emergency Radio Subscription	945
PMIS	3,235
Purchase Equipment:	
Spare Parts	80,000
Total	\$ 243,890

(1) Water Treatment Plant is the only location.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 ANALYSIS OF UTILITIES BY LOCATION
 2026 ANNUAL BUDGET

LOCATION	ELECTRICITY			ALL OTHER (3)	TOTAL
	KW HOURS	AVG. RATE PER HOUR (1)	AMOUNT (2)		
Red Bluff Water Treatment Plant	1,664,000	\$0.07076	\$117,750	\$10,000	\$127,750

- (1) Reflects rate accomplished through contract for electricity beginning July, 2015
- (2) Includes a 10% variance for electricity usage.
- (3) Includes telephone, water and waste disposal services.

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
CAPITAL OUTLAYS
2026 ANNUAL BUDGET

	<u>AMOUNT</u>
<u>Assessment/Engineering/Design</u>	\$934,561
Total Capital Outlays	<u><u>\$934,561</u></u>

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