

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
2026 ANNUAL BUDGET

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COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
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2026 ANNUAL BUDGET

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COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
BUDGET SUMMARY
2026 ANNUAL BUDGET

APPLICATION OF FUNDS		2025 BUDGET	2025 PROJECTED	2026 BUDGET
Expenditures (1)		\$4,737,260	\$4,168,000	\$4,811,380
Capital Outlay		0	0	0
Total Expenditures		4,737,260	4,168,000	4,811,380
Ending Fund Balances (2)		1,184,268	1,184,268	1,202,845
Total Applications		5,921,528	5,352,268	6,014,225
SOURCE OF FUNDS				
Beginning Fund Balances (2)		1,103,628	1,103,628	1,184,268
Investment Income		35,000	50,000	35,000
Other Income		25,000	25,000	25,000
Subtotal Sources		1,163,628	1,178,628	1,244,268
System Revenue - Project		\$4,757,900	\$4,173,640	\$4,769,957
Total Sources		5,921,528	5,352,268	6,014,225

(1) Includes assets purchased

(2) Operating Fund only.

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES
FACTS AND ASSUMPTIONS
2026 ANNUAL BUDGET

FACTS

1. The 2026 budget is prepared on a cash basis.
2. Lake Houston Facilities books and records consist of two funds, which are the Operating Fund and the Contingency Fund.
3. The required fund balances have been reflected at the minimum balances per the operating contract.
4. Lake Houston Facilities is charged with direct salary and costs as well as an allocation of certain general items based upon an overall payroll allocation of 15%.

ASSUMPTIONS

1. Salary expenses decreased due to lower retiree costs anticipated in 2026.
2. The 2026 budget staffing level supports ongoing activity levels as requested in the operating and maintenance contract.

COASTAL WATER AUTHORITY
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RECONCILIATION OF 2025
BUDGET TO 2026 BUDGET

	2025 Budget to 2026 Budget
2025 Budget	<u>\$4,737,260</u>
Field Salaries Allocation	(38,010)
Materials and Supplies	62,010
Contract Labor and Equipment	(93,480)
Utilities	31,400
Administrative Expense	(20,800)
General Operating Expenses (Insurance)	127,000
Engineering, Legal and Professional	<u>6,000</u>
Subtotal	<u>74,120</u>
2026 Budget	<u><u>\$4,811,380</u></u>

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
STATEMENT OF REVENUES AND EXPENDITURES
2026 ANNUAL BUDGET

	<u>2025 BUDGET</u>	<u>2025 PROJECTED</u>	<u>2026 BUDGET</u>
REVENUES			
Funds provided by City of Houston	\$4,757,900	\$4,173,640	\$4,769,957
Interest on Investments	35,000	50,000	35,000
Other	25,000	25,000	25,000
Total Revenue	<u>4,817,900</u>	<u>4,248,640</u>	<u>4,829,957</u>
EXPENDITURES			
Field Salaries	1,439,480	1,288,000	1,401,470
Materials & Supplies	334,570	360,000	396,580
Contract Labor & Equipment (1)	1,547,110	1,150,000	1,453,630
Utilities	158,000	180,000	189,400
Administrative Expenses	640,300	605,000	619,500
General Operating Expenses	446,800	425,000	573,800
Engineering, Legal & Professional	171,000	160,000	177,000
Subtotal	<u>4,737,260</u>	<u>4,168,000</u>	<u>4,811,380</u>
Total Expenditures	<u>4,737,260</u>	<u>4,168,000</u>	<u>4,811,380</u>

(1) Includes assets purchased.

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LAKE HOUSTON FACILITIES PROJECT
RECONCILIATION OF FUND ACTIVITY
2026 ANNUAL BUDGET

	OPERATING FUND	CONTINGENCY FUND	TOTAL LAKE HOUSTON FACILITIES PROJECT FUND
Beginning Balance	<u>\$1,103,628</u>	<u>\$2,000,000</u>	<u>\$3,103,628</u>
Service Revenue	4,769,957	0	4,769,957
Interest Earnings	(35,000)	70,000	35,000
Other Income	25,000	0	25,000
Transfer - Interest	70,000	(70,000)	0
Expenses	(4,811,380)	0	(4,811,380)
Net Activity	<u>18,577</u>	<u>0</u>	<u>18,577</u>
Ending Balance	<u><u>\$1,122,205</u></u>	<u><u>\$2,000,000</u></u>	<u><u>\$3,122,205</u></u>

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
WATER DEMAND FORECAST
2026 ANNUAL BUDGET

	<u>2025</u> <u>BUDGET</u>	<u>2025</u> <u>PROJECTED</u>	<u>2026</u> <u>BUDGET</u>
Gallons (in thousands)	<u>16,102,100</u>	<u>15,357,200</u>	<u>16,135,200</u>

COASTAL WATER AUTHORITY
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INVESTMENT AND OTHER INCOME
2026 ANNUAL BUDGET

INVESTMENT INCOME

Average Cash and Investments	\$1,000,000
Average Effective Interest Rate	3.50%
Total	<u>\$ 35,000</u>

OTHER INCOME

Lake Houston Facilities anticipates \$25,000 to be received from the Texas Parks & Wildlife Department for aquatic vegetation control in Lake Houston.

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
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	\$640,300	\$605,000	\$619,500
GENERAL OPERATING (Insurance)	446,800	425,000	573,800
ENGINEERING, LEGAL & PROFESSIONAL	<u>171,000</u>	<u>160,000</u>	<u>177,000</u>
Total	<u>\$1,258,100</u>	<u>\$1,190,000</u>	<u>\$1,370,300</u>

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ADMINISTRATIVE EXPENSES
2026 ANNUAL BUDGET

Administrative Salaries	\$195,000 (1)
Pension Plan Contribution (11.8% of total compensation)	188,383
Payroll Taxes (7.65% of total compensation)	122,130
Office Lease and Utilities	67,500 (1)
Office Supplies	6,000 (1)
Travel, Meetings and Parking	4,500 (1)
Directors Compensation	6,750 (1)
Printing and Reproduction	4,500 (1)
Telephone/ Data Maintenance	7,500 (1)
Vehicle: Gas & Maintenance	4,500 (1)
Payroll / Employee Processing Services	6,750 (1)
Miscellaneous	6,000 (1)
	<u>\$619,513</u>

(1) Allocated based upon payroll estimate of 15%.

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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)	15.0%
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Lake Houston Office Salaries	\$195,000
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(1) Based upon payroll estimate allocation

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
GENERAL OPERATING EXPENSES
2026 ANNUAL BUDGET

INSURANCE PREMIUM DESCRIPTION

Texas Commercial Policy (General Liability)	3,750	(3)	(5)
Watercraft Policy	19,500	(9)	(5)
Public Official & Employees Errors and Omissions	1,800	(3)	(5) (7)
Pension - Fidelity Bond	75	(3)	(4)
Pension - Fiduciary Responsibility	1,050	(3)	(5)
Medical Insurance	474,405	(3)	(7) (8)
Public Official Position (Director Fidelity)	150	(3)	(4)
Automobile Insurance	5,250	(3)	(5)
Workers Compensation	25,050	(3)	(6) (7)
Dental Insurance	15,750	(3)	(5) (7)
Vision Insurance	4,500	(3)	(5) (7)
Combined Group Life/Short & Long Term Disability	22,500	(3)	(5) (7)
	<u>\$573,780</u>		

- (3) Allocated based upon total payroll estimate of 15%.
- (4) Assumes no rate increase.
- (5) Assumes 5% rate increase.
- (6) Assumes 10% rate increase.
- (7) Assumes full employment.
- (8) Assumes 15% rate increase.
- (9) Allocated to Maintenance Boat Locations.

COASTAL WATER AUTHORITY
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ENGINEERING, LEGAL AND PROFESSIONAL EXPENSES
2026 ANNUAL BUDGET

Engineering Services	100,000 (1)
Legal Services	20,000 (3)
Accounting & Auditing	15,000 (2)
Computer Support services	15,000 (2)
Website Development & Maintenance	6,000 (2)
Hardware, Software Upgrades and Maintenance	15,000 (2)
Miscellaneous Bank Fees	6,000 (3)
	<u>\$177,000</u>

(1) Based upon specific services.

(2) Allocated based upon total payroll estimate of 15%.

(3) Based upon specific and allocated services.

COASTAL WATER AUTHORITY
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SUMMARY OF FIELD EXPENDITURES
2026 ANNUAL BUDGET

<u>FIELD EXPENDITURES</u>	<u>2025 BUDGET</u>	<u>2025 PROJECTED</u>	<u>2026 BUDGET</u>
SALARIES	\$1,439,480	\$1,288,000	\$1,401,470
MATERIALS & SUPPLIES	334,570	360,000	396,580
CONTRACT LABOR AND EQUIPMENT			
Contracted	\$1,547,110	1,150,000	1,453,630
Purchased	\$0	0	0
Subtotal	<u>1,547,110</u>	<u>1,150,000</u>	<u>1,453,630</u>
UTILITIES	158,000	180,000	189,400
Total	<u><u>\$3,479,160</u></u>	<u><u>\$2,978,000</u></u>	<u><u>\$3,441,080</u></u>

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FIELD EXPENDITURES BY LOCATION
2026 ANNUAL BUDGET

LOCATIONS	FIELD SALARIES	MATERIALS AND SUPPLIES	CONTRACT LABOR AND EQUIPMENT	UTILITIES	LOCATION TOTAL
Lake Houston & Pump Station	\$589,242	\$111,949	\$747,600	\$189,400	\$1,638,191
West Canal	305,689	116,090	183,325	0	605,104
Dam & Downstream	506,542	168,542	522,700	0	1,197,784
	<u>\$1,401,473</u>	<u>\$396,581</u>	<u>\$1,453,625</u>	<u>\$189,400</u>	<u>\$3,441,079</u>

COASTAL WATER AUTHORITY
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SUMMARY OF FIELD SALARIES BY LOCATION
2026 ANNUAL BUDGET

LOCATION	BASE COMPENSATION	RETIREE PAY (1)	5% OVERTIME (2)	TOTAL
Lake Houston & Pump Station	\$551,659	\$10,000	\$27,583	\$589,242
West Canal	291,132	0	14,557	305,689
Dam & Downstream	482,421	0	24,121	506,542
	<u>\$1,325,212</u>	<u>\$10,000</u>	<u>\$66,261</u>	<u>\$1,401,473</u>

(1) Allows for termination payment to retirees.

(2) Provides for minimum overtime.

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
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>				
Lake Houston Pump Station	0.38	790	\$85.19	\$67,334
West Canal	0.48	998	85.19	85,054
Dam & Downstream	0.59	1,227	85.19	104,545
Subtotal	1.45	3,016	85.19	256,933
<u>SUPERVISORY PERSONNEL (2)</u>				
Lake Houston Pump Station	0.50	1,040	73.69	76,638
West Canal	0.55	1,144	73.69	84,301
Dam & Downstream	0.60	1,248	73.69	91,965
Subtotal	1.65	3,432	73.69	252,904
<u>ALL OTHER PERSONNEL (3)</u>				
Lake Houston Pump Station	5.78	12,012	33.94	407,687
West Canal	1.73	3,588	33.94	121,777
Dam & Downstream	4.05	8,424	33.94	285,911
Subtotal	11.55	24,024	33.94	815,375
Total Base Salaries	14.65	30,472	\$43.49	\$1,325,212

- (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
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ANALYSIS OF MATERIALS AND SUPPLIES BY LOCATION
2026 ANNUAL BUDGET

LOCATION AND DESCRIPTION

LAKE HOUSTON AND PUMP STATION

Air Conditioning Repair Parts	\$3,168
Automotive / Equip Repair Parts	3,000
Building / Grounds Maintenance	8,280
Electrical / Instrument	7,200
Herbicides / Insecticides	2,000
Lab Test Equipment & Supplies	3,000
Mechanical, Plumbing, Valves, etc	3,440
Miscellaneous Supplies	37,708
Office / Administrative	4,538
Oils and Lubricants	4,680
Power Tools, Hand Tools & Equip.	6,640
Road Base, Sand, Rock, Rip Rap, etc.	2,000
Tires & Batteries	3,000
Personal Protective Equipment	23,295
	<u>111,949</u>

WEST CANAL

Air Conditioning Repair Parts	1,584
Automotive / Equip Repair Parts	3,000
Building / Grounds Maintenance	4,740
Diesel Fuel	22,628
Electrical / Instrument	4,320
Gasoline	12,300
Herbicides / Insecticides	20,000
Mechanical, Plumbing, Valves, etc	6,440
Miscellaneous Supplies	19,418
Office / Administrative	1,300
Oils and Lubricants	720
Power Tools, Hand Tools & Equip.	7,640
Road Base, Sand, Rock, Rip Rap, etc.	10,000
Tires & Batteries	2,000
	<u>116,090</u>

DAM & DOWNSTREAM

Air Conditioning Repair Parts	1,584
Automotive / Equip Repair Parts	3,000
Building / Grounds Maintenance	6,840
Electrical / Instrument	7,200
Herbicides / Insecticides	13,000
Miscellaneous Supplies	34,376
Office / Administrative	9,182
Oils and Lubricants	1,440
Power Tools, Hand Tools & Equip.	13,920
Road Base, Sand, Rock, Rip Rap, etc.	75,000
Tires & Batteries	2,000
Welding Equip & Supplies	1,000
	<u>168,542</u>

Total	<u><u>\$396,581</u></u>
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COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
ANALYSIS OF CONTRACT LABOR AND EQUIPMENT BY LOCATION
2026 ANNUAL BUDGET

LOCATION AND DESCRIPTION

LAKE HOUSTON AND PUMP STATION

Security: Contract Guards	\$ 247,200
Security: Fencing Repairs/Replacement	25,000
Contract Labor (Welders, Divers, Tech Spt, etc)	\$ 10,000
Major Motor Repair, 1 each	150,000
Major Pump Repair, 1 each	180,000
4KV Remote Racking	50,000
4KV Breaker/Contractor Refurbish	15,000
Load Test Overhead Cranes	2,000
Security Camera Upgrades/Installation	25,000
Training: Safety (1st Aid, CPR, AED, CSE, etc.)	18,000
Annual Service Contracts:	
Crane/Hoist Test/Certification	635
Pest Control Service	630
Substation, Relay Testing	11,000
Uniform Service	5,000
Generator Load Testing	1,320
Asset Management Software	1,690
Emergency Radio Subscription	1,890
PMIS	3,235
	<u>747,600</u>

WEST CANAL

Contract Labor (Welders, Divers, Tech Spt, etc)	\$ 12,000
Security: Fencing Repairs/Replacements	166,400
Annual Service Contracts:	
Asset Management Software	1,690
PMIS	3,235
	<u>183,325</u>

DAM & DOWNSTREAM

Aquatic Vegetation Control	200,000
Contract Labor (Welders, Divers, Tech Spt, etc)	\$ 50,000
Dam: Debris Removal	200,000
Equipment Rental Services	10,000
Security: Fencing Repairs/Replacement	20,000
Training: USACE Dam Safety	14,000
Auto Change-Over Switch for Power Outages	20,000
Load Test Overhead Cranes	2,000
Annual Service Contracts:	
Crane/Hoist Test/Certification	635
Generator Load Testing	880
Asset Management Software	1,950
PMIS	3,235
	<u>522,700</u>

Total \$1,453,625

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
ANALYSIS OF UTILITIES BY LOCATION
2026 ANNUAL BUDGET

LOCATION	ELECTRICITY				TOTAL
	KW HOURS	AVG. RATE PER HOUR (1)	AMOUNT (2)	ALL OTHER (3)	
Lake Houston & Pump Station	1,405,000	\$0.1241	\$174,400	\$15,000	\$189,400
	<u>1,405,000</u>	<u>\$0.1241</u>	<u>\$174,400</u>	<u>\$15,000</u>	<u>\$189,400</u>

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