

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM PROJECT
2027 ANNUAL BUDGET

DRAFT

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
TABLE OF CONTENTS
2027 ANNUAL BUDGET

	<u>PAGE</u>
Budget Transmittal Letter	D - 1
Budget Summary - Comparative	D - 2
Facts and Assumptions	D - 2 - 1
Reconciliation of 2026 Budget to 2027 Budget	D - 2 - 2
Statement of Revenues and Expenditures	D - 3
Reconciliation of Fund Activity	D - 3 - 1
	D - 3 - 2
Revenues and Billing Rates	D - 4
Investment and Other Income	D - 5
Summary of General and Administrative Expenditures	D - 6
Administrative Expenses	D - 7
Office Salary Allocation	D - 7 - 1
General Operating Expenses	D - 8
Engineering, Legal and Professional Expenses	D - 9
Summary of Field Expenditures	D - 10
Field Expenditures by Location	D - 10 - 1
Summary of Field Salaries by Location	D - 11
Analysis of Base Field Salaries by Function and Location	D - 11 - 1
Analysis of Materials and Supplies by Location	D - 12
Analysis of Contract Labor and Equipment by Location	D - 13
Analysis of Utilities by Location	D - 14
Capital Outlays	D - 15

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
BUDGET SUMMARY
2027 ANNUAL BUDGET

<u>APPLICATION OF FUNDS</u>	<u>2026 BUDGET</u>	<u>2026 PROJECTED</u>	<u>2027 BUDGET</u>
Expenditures (1)	\$2,824,420	\$2,302,000	\$2,886,900
Capital Outlay	4,217,800	152,500	5,664,000
Comparative Subtotal	7,042,220	2,454,500	8,550,900
Total Expenditures	7,042,220	2,454,500	8,550,900
Ending Fund Balances	1,643,876	6,065,460	1,803,240
Total Applications	8,686,096	8,519,960	10,354,140
<u>SOURCE OF FUNDS</u>			
Beginning Fund Balances	4,635,137	4,763,627	6,065,460
Investment Income	105,000	190,000	164,500
Subtotal Sources	4,740,137	4,953,627	6,229,960
Subtotal	4,740,137	4,953,627	6,229,960
System Revenue	<u>\$3,945,959</u>	<u>\$3,566,333</u>	<u>\$4,124,180</u>

(1) Includes assets purchased

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
FACTS AND ASSUMPTIONS
2027 ANNUAL BUDGET

FACTS

1. The 2027 budget is prepared on a cash basis.
2. Bayport Water System books and records consist of five funds, which are Operating Fund, Operating Reserve Fund, Special Projects Emergency Reserve, Revenue Fund and the Capital Improvement Fund.
3. The required fund balances have been reflected at minimum balances.
4. Bayport is charged with direct salary and costs as well as an allocation of certain general items based upon an overall payroll allocation of 10.0%.

ASSUMPTIONS

1. Salaries include funding the employee benefits of one field retiree.
2. Revenues assume timely payment of billings by Bayport customers.
3. The Operating Fund should be maintained at a \$400,000 balance and the Operating Reserve Fund should be maintained at a level equal to 3 months of the Operating Expense.

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
RECONCILIATION OF 2026 BUDGET TO 2027 BUDGET

	2026 Budget to 2027 Budget
2026 Budget	<u>\$2,824,420</u>
Field Salaries	97,090
Materials & Supplies	17,040
Contract Labor & Equipment	(99,150)
Utilities	1,500
Administrative Expense	50,000
General Operating Expenses	(26,500)
Engineering, Legal & Professional	<u>22,500</u>
Subtotal	<u>62,480</u>
2027 Budget	<u><u>\$2,886,900</u></u>

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
STATEMENT OF REVENUES AND EXPENDITURES
2027 ANNUAL BUDGET

	2026 BUDGET	2026 PROJECTED	2027 BUDGET
REVENUES			
Interest on Investments	\$105,000	\$190,000	\$164,500
Service Revenues	3,945,959	3,566,333	4,124,180
Total Revenue	<u>4,050,959</u>	<u>3,756,333</u>	<u>4,288,680</u>
EXPENDITURES			
Field Salaries	770,770	665,000	867,860
Materials & Supplies	287,370	145,000	304,410
Contract Labor & Equipment (1)	792,780	625,000	693,630
Utilities	60,800	44,000	62,300
Administrative Expenses	381,200	373,000	431,200
General Operating Expenses	402,500	345,000	376,000
Engineering, Legal & Professional	129,000	105,000	151,500
Subtotal	<u>2,824,420</u>	<u>2,302,000</u>	<u>2,886,900</u>
Construction Program	4,217,800	152,500	5,664,000
Capital Outlay	<u>4,217,800</u>	<u>152,500</u>	<u>5,664,000</u>
Total Expenditures	<u>7,042,220</u>	<u>2,454,500</u>	<u>8,550,900</u>

(1) Includes assets purchased.

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
RECONCILIATION OF FUND ACTIVITY
2027 ANNUAL BUDGET

	REVENUE FUND	CAPITAL IMPROVEMENT FUND
Beginning Balance	\$0	\$4,375,000
Service Revenue	4,124,180	0
Interest Earnings	0	\$103,760
Transfer - Service	(4,124,180)	1,185,245
Expenses	0	0
Capital Outlay		(5,664,000)
Net Activity	0	(4,374,996)
Ending Balance	\$0	\$5

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
RECONCILIATION OF FUND ACTIVITY
2027 ANNUAL BUDGET

	OPERATING FUND	OPERATING RESERVE FUND	SPECIAL PROJECT EMERGENCY RESERVE FUND	TOTAL BAYPORT WATER SYSTEM FUND
Beginning Balance	\$400,000	\$632,000	\$658,460	\$6,065,460
Service Revenue	0	0	0	4,124,180
Interest Earnings	\$14,000	\$23,690	\$23,050	164,500
Transfer - Service	\$2,872,900	66,035	0	-
Expenses	(2,886,900)	0	0	(2,886,900)
Capital Outlay	0	0	0	(5,664,000)
Net Activity	0	89,725	23,050	(4,262,221)
Ending Balance	\$400,000	\$721,725	\$681,510	\$1,803,240

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
REVENUES AND BILLING RATES
2027 ANNUAL BUDGET

	<u>2026 BUDGET</u>	<u>2026 PROJECTED</u>	<u>2027 BUDGET</u>
Gallons (in thousands)	12,728,900	11,504,300	12,535,500
Rate/1000 gallons	\$0.31	\$0.31	\$0.33
Revenue	<u>\$3,945,959</u>	<u>\$3,566,333</u>	<u>\$4,124,180</u>

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
INVESTMENT AND OTHER INCOME
2027 ANNUAL BUDGET

INVESTMENT INCOME

Average Cash and Investments \$4,700,000

Average Effective Interest Rate 3.50%

Total \$164,500

OTHER INCOME

Bayport Water System does not anticipate any miscellaneous income.

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
SUMMARY OF GENERAL AND ADMINISTRATIVE EXPENDITURES
2027 ANNUAL BUDGET

<u>GENERAL AND ADMINISTRATIVE EXPENDITURES</u>	<u>2026 BUDGET</u>	<u>2026 PROJECTED</u>	<u>2027 BUDGET</u>
ADMINISTRATIVE	\$381,200	\$373,000	\$431,200
GENERAL OPERATING (Insurance)	402,500	345,000	376,000
ENGINEERING, LEGAL & PROFESSIONAL	<u>129,000</u>	<u>105,000</u>	<u>151,500</u>
Total	<u><u>\$912,700</u></u>	<u><u>\$823,000</u></u>	<u><u>\$958,700</u></u>

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
ADMINISTRATIVE EXPENSES
2027 ANNUAL BUDGET

Administrative Salaries	\$143,500	(1)
Pension Plan Contribution (11.8% of total compensation)	119,340	
Payroll Taxes (7.65% of total compensation)	77,369	
Office Lease and Utilities	60,000	(1)
Office Supplies	4,000	(1)
Travel, Meetings and Parking	3,000	(1)
Directors Compensation	4,500	(1)
Printing and Reproduction	3,000	(1)
Telephone/ Data Maintenance	5,000	(1)
Vehicle: Gas & Maintenance	3,000	(1)
Payroll / Employee Processing Services	4,500	(1)
Miscellaneous	4,000	(1)
	<u>\$431,209</u>	

(1) Allocated based upon payroll estimate of 10.0%.

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
OFFICE SALARY ALLOCATION
2027 ANNUAL BUDGET

Executive Director
Finance Manager
HR Manager
Chief Accountant
Senior Accountant
Accountant
Accountant
Payroll / Pension Coordinator
Executive Secretary

Base Office Salaries 1,435,000

Office Allocation Factor (1) 10.0%

Bayport Office Salaries \$143,500

(1) Based upon payroll estimate allocation

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
GENERAL OPERATING EXPENSES
2027 ANNUAL BUDGET

INSURANCE PREMIUM DESCRIPTION

Property Insurance	\$30,000	(1)	(6)
Texas Commercial Policy (General Liability)	2,600	(3)	(5)
Public Official & Employees Errors and Omissions	1,350	(3)	(5) (7)
Pension - Fidelity Bond	50	(3)	(4)
Pension - Fiduciary Responsibility	700	(3)	(5)
Medical Insurance	300,000	(3)	(7) (8)
Public Official Position (Director Fidelity)	50	(3)	(4)
Automobile Insurance	3,200	(3)	(5)
Workers Compensation	9,500	(3)	(6) (7)
Dental Insurance	10,500	(3)	(5) (7)
Vision Insurance	3,000	(3)	(5) (7)
Combined Group Life/Short & Long Term Disability	15,000	(3)	(5) (7)
	<u>\$375,950</u>		

- (1) Allocated based upon total insurable value of 4%.
- (3) Allocated based upon total payroll estimate of 10.0%.
- (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
BAYPORT WATER SYSTEM FUNDS
ENGINEERING, LEGAL AND PROFESSIONAL EXPENSES
2027 ANNUAL BUDGET

Engineering Services	\$75,000 (1)
Legal Services	20,000 (3)
Accounting & Auditing	20,000 (2)
Computer Support services	12,000 (2)
Website Development & Maintenance	4,500 (2)
Hardware, Software Upgrades and Maintenance	15,000 (2)
Miscellaneous Bank Fees	5,000 (3)
	<u>\$151,500</u>

(1) Based upon specific services

(2) Allocated based upon total payroll estimate of 10.0%.

(3) Based upon specific and allocated services

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
SUMMARY OF FIELD EXPENDITURES
2027 ANNUAL BUDGET

<u>FIELD EXPENDITURES</u>	<u>2026 BUDGET</u>	<u>2026 PROJECTED</u>	<u>2027 BUDGET</u>
SALARIES	\$770,770	\$665,000	\$867,860
MATERIALS & SUPPLIES	287,370	145,000	304,410
CONTRACT LABOR AND EQUIPMENT	589,980	422,200	627,630
Purchased	202,800	202,800	66,000
Subtotal	<u>792,780</u>	<u>625,000</u>	<u>693,630</u>
UTILITIES	60,800	44,000	62,300
Total	<u><u>\$1,911,720</u></u>	<u><u>\$1,479,000</u></u>	<u><u>\$1,928,200</u></u>

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
FIELD EXPENDITURES BY LOCATION
2027 ANNUAL BUDGET

LOCATIONS	FIELD SALARIES	MATERIALS AND SUPPLIES	CONTRACT LABOR AND EQUIPMENT	UTILITIES	LOCATION TOTAL
Bayport Pump Station	\$445,490	\$160,513	\$553,350	\$62,300	\$1,221,653
Bayport Distribution System	422,368	143,900	140,275	0	706,543
	<u>\$867,858</u>	<u>\$304,413</u>	<u>\$693,625</u>	<u>\$62,300</u>	<u>\$1,928,196</u>

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
SUMMARY OF FIELD SALARIES BY LOCATION
2027 ANNUAL BUDGET

<u>LOCATION</u>	<u>BASE COMPENSATION</u>	<u>RETIREE PAY (1)</u>	<u>5% OVERTIME (2)</u>	<u>TOTAL</u>
Bayport Pump Station	\$414,752	\$10,000	\$20,738	\$445,490
Bayport Distribution System	402,255	0	20,113	422,368
	<u>\$817,007</u>	<u>\$10,000</u>	<u>\$40,851</u>	<u>\$867,858</u>

(1) Allows for employee benefit payments to retirees.

(2) Provides for minimum overtime.

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
ANALYSIS OF BASE FIELD SALARIES BY FUNCTION AND LOCATION
2027 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>				
Bayport Pump Station	0.27	562	\$99.62	\$55,947
Bayport Distribution System	0.27	562	99.62	55,947
Subtotal	0.54	1,123	99.62	111,894
<u>SUPERVISORY PERSONNEL (2)</u>				
Bayport Pump Station	0.85	1,768	75.72	133,873
Bayport Distribution System	0.55	1,144	75.72	86,624
Subtotal	1.40	2,912	75.72	220,497
<u>ALL OTHER PERSONNEL (3)</u>				
Bayport Pump Station	2.95	6,126	36.72	224,932
Bayport Distribution System	3.40	7,072	36.72	259,684
Subtotal	6.35	13,198	36.72	484,616
Total Base Salaries	8.29	17,233	\$47.41	\$817,007

- (1) Includes Major Projects Director, Manager of Operations, Manager of Security, Senior Electrical I&C Manager, Deputy Operations Manager and Chief Engineer.
- (2) Includes Superintendents, Master Electrician, Asset Management Technician, Purchasing Agent, IT Manager, Projects Manager, Senior Construcion Manager, Senior Contracts Manager, Safety Specialist, Government Relations Manager, Senior Project Manager 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
BAYPORT WATER SYSTEM FUNDS
ANALYSIS OF MATERIALS AND SUPPLIES BY LOCATION
2027 ANNUAL BUDGET

LOCATION AND DESCRIPTION

BAYPORT PUMP STATION

Air Conditioning Repair Parts	\$2,732
Automotive / Equipment Repair Parts	6,500
Building / Grounds Maintenance	10,280
Electrical / Instrument	8,000
Herbicides / Insecticides	3,000
Mechanical, Plumbing, Valves, etc.	27,140
Miscellaneous Supplies	24,866
Office / Administrative	9,406
Oils and Lubricants	6,624
Road Base, Sand, Rock, Rip Rap, etc.	25,000
Power Tools, Hand Tools & Equip.	25,000
Tires & Batteries	4,200
Personal Protective Equipment	7,765
	<u>160,513</u>

BAYPORT DISTRIBUTION

Automotive / Equipment Repair Parts	6,500
Building / Grounds Maintenance	4,200
Diesel Fuel	17,916
Electrical / Instrument	5,000
Gasoline	13,436
Herbicides / Insecticides	10,000
Mechanical, Plumbing, Valves, etc.	32,108
Miscellaneous Supplies	15,495
Office / Administrative	2,000
Oils and Lubricants	8,280
Power Tools, Hand Tools & Equip.	7,000
Road Base, Sand, Rock, Rip Rap, etc.	7,000
Tires & Batteries	4,200
Welding Equip & Supplies	3,000
Personal Protective Equipment	7,765
	<u>143,900</u>

Total	<u><u>\$304,413</u></u>
-------	-------------------------

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
ANALYSIS OF CONTRACT LABOR AND EQUIPMENT BY LOCATION
2027 ANNUAL BUDGET

LOCATION AND DESCRIPTION

BAYPORT PUMP STATION

Contract Labor (Welders, Divers, Tech Spt, Etc.)	60,000
Security: Contract Guards	\$215,500
Major Motor Repair, 1 each	70,000
Major Pump Repair, 1 each	80,000
4KV Remote Racking	20,000
Security: Fencing Repairs/Replacement	50,000
Training: Safety (1st Aid, CPR, AED, CSE, etc.)	14,300
Annual Service Contracts:	
Crane/Hoist Test/Certification	1,050
Pest Control Service	600
Substation, Relay Testing	15,000
Uniform Service	5,150
Generator Load Testing	880
Asset Management Software	1,690
Emergency Radio Subscription	945
PMIS	3,235
Purchase Equipment:	
Tractor	10,000
10' Diesel Pump Trailer Mounted	5,000
	<u>553,350</u>

BAYPORT DISTRIBUTION

Contract Labor (Welders, Divers, Tech Spt, Etc.)	25,000
Equipment Rental Services	10,000
Security: Fencing Repairs/Replacement	50,000
Annual Service Contracts:	
Asset Management Software	1,040
PMIS	3,235
Purchase Equipment:	
Tractor	46,000
10' Diesel Pump Trailer Mounted	5,000
	<u>140,275</u>

Total	<u><u>\$693,625</u></u>
-------	-------------------------

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
ANALYSIS OF UTILITIES BY LOCATION
2027 ANNUAL BUDGET

LOCATION	ELECTRICITY				TOTAL
	KW HOURS	AVG. RATE PER HOUR	AMOUNT (1)	ALL OTHER (2)	
Bayport Pump Station	237,325	\$0.1995	\$47,300	\$15,000	\$62,300
	<u>237,325</u>	<u>\$0.1995</u>	<u>\$47,300</u>	<u>\$15,000</u>	<u>\$62,300</u>

(1) Includes a 5% variance for electricity usage.

(2) Includes telephone, water and waste disposal services.

COASTAL WATER AUTHORITY
BAYPORT WATER SYSTEM FUNDS
CAPITAL OUTLAYS
2027 ANNUAL BUDGET

	BAYPORT CAPITAL IMPROVEMENT FUND
<u>Design for Building Upgrade/Improvements</u>	\$ 1,164,000
<u>Bayport CIP Phase 4 Construction</u>	4,500,000
Total Capital Outlays	<u>\$ 5,664,000</u>