

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
2027 ANNUAL BUDGET

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COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
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2027 ANNUAL BUDGET

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COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
BUDGET SUMMARY
2027 ANNUAL BUDGET

APPLICATION OF FUNDS		2026 BUDGET	2026 PROJECTED	2027 BUDGET
Expenditures (1)		\$4,811,380	\$4,144,000	\$5,521,695
Capital Outlay		0	0	0
Total Expenditures		4,811,380	4,144,000	5,521,695
Ending Fund Balances (2)		1,202,845	1,202,845	1,380,424
Total Applications		6,014,225	5,346,845	6,902,119
SOURCE OF FUNDS				
Beginning Fund Balances (2)		1,184,268	1,184,268	1,202,845
Investment Income		35,000	95,000	105,000
Other Income		25,000	25,000	25,000
Subtotal Sources		1,244,268	1,304,268	1,332,845
System Revenue - Project		4,769,957	4,042,577	5,569,274
Total Sources		6,014,225	5,346,845	6,902,119

(1) Includes assets purchased

(2) Operating Fund only.

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES
FACTS AND ASSUMPTIONS
2027 ANNUAL BUDGET

FACTS

1. The 2027 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. Engineering expenses increased to evaluate potential future water capacity needs from the West Canal to the East Water Purification Plant.
2. The 2027 budget staffing level supports ongoing activity levels as requested in the operating and maintenance contract.

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RECONCILIATION OF 2026 BUDGET TO 2027 BUDGET

	2026 Budget to 2027 Budget
2026 Budget	<u>\$4,811,380</u>
Field Salaries Allocation	88,190
Materials and Supplies	(35,510)
Contract Labor and Equipment	184,175
Utilities	23,860
Administrative Expense	63,900
General Operating Expenses (Insurance)	(40,600)
Engineering, Legal and Professional	<u>426,300</u>
Subtotal	<u>710,315</u>
2027 Budget	<u><u>\$5,521,695</u></u>

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
STATEMENT OF REVENUES AND EXPENDITURES
2027 ANNUAL BUDGET

	<u>2026 BUDGET</u>	<u>2026 PROJECTED</u>	<u>2027 BUDGET</u>
REVENUES			
Funds provided by City of Houston	\$4,769,957	\$4,042,577	\$5,569,274
Interest on Investments	35,000	95,000	105,000
Other	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
Total Revenue	<u>4,829,957</u>	<u>4,162,577</u>	<u>5,699,274</u>
EXPENDITURES			
Field Salaries	1,401,470	1,210,000	1,489,660
Materials & Supplies	396,580	363,000	361,070
Contract Labor & Equipment (1)	1,453,630	1,150,000	1,637,805
Utilities	189,400	142,000	213,260
Administrative Expenses	619,500	539,000	683,400
General Operating Expenses	573,800	508,000	533,200
Engineering, Legal & Professional	<u>177,000</u>	<u>232,000</u>	<u>603,300</u>
Subtotal	<u>4,811,380</u>	<u>4,144,000</u>	<u>5,521,695</u>
Total Expenditures	<u>4,811,380</u>	<u>4,144,000</u>	<u>5,521,695</u>

(1) Includes assets purchased.

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RECONCILIATION OF FUND ACTIVITY
2027 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	5,569,274	0	5,569,274
Interest Earnings	35,000	70,000	105,000
Other Income	25,000	0	25,000
Transfer - Interest	70,000	(70,000)	0
Expenses	(5,521,695)	0	(5,521,695)
Net Activity	<u>177,579</u>	<u>0</u>	<u>177,579</u>
Ending Balance	<u><u>\$1,281,207</u></u>	<u><u>\$2,000,000</u></u>	<u><u>\$3,281,207</u></u>

COASTAL WATER AUTHORITY
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WATER DEMAND FORECAST
2027 ANNUAL BUDGET

	<u>2026</u> <u>BUDGET</u>	<u>2026</u> <u>PROJECTED</u>	<u>2027</u> <u>BUDGET</u>
Gallons (in thousands)	<u>16,135,200</u>	<u>19,661,100</u>	<u>16,364,400</u>

COASTAL WATER AUTHORITY
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INVESTMENT AND OTHER INCOME
2027 ANNUAL BUDGET

INVESTMENT INCOME

Average Cash and Investments \$3,000,000 (1)

Average Effective Interest Rate 3.50%

Total \$ 105,000

OTHER INCOME

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

(1) Includes Contingency Fund.

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
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	\$619,500	\$539,000	\$683,400
GENERAL OPERATING (Insurance)	573,800	508,000	533,200
ENGINEERING, LEGAL & PROFESSIONAL	<u>177,000</u>	<u>232,000</u>	<u>603,300</u>
Total	<u>\$1,370,300</u>	<u>\$1,279,000</u>	<u>\$1,819,900</u>

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ADMINISTRATIVE EXPENSES
2027 ANNUAL BUDGET

Administrative Salaries	\$215,250 (1)
Pension Plan Contribution (11.8% of total compensation)	201,179
Payroll Taxes (7.65% of total compensation)	130,426
Office Lease and Utilities	90,000 (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>\$683,355</u>

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

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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
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Office Allocation Factor (1)	15.0%
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Lake Houston Office Salaries	\$215,250
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(1) Based upon payroll estimate allocation

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
GENERAL OPERATING EXPENSES
2027 ANNUAL BUDGET

INSURANCE PREMIUM DESCRIPTION

Texas Commercial Policy (General Liability)	3,900	(3)	(5)
Watercraft Policy	14,300	(9)	(5)
Public Official & Employees Errors and Omissions	2,025	(3)	(5) (7)
Pension - Fidelity Bond	75	(3)	(4)
Pension - Fiduciary Responsibility	1,050	(3)	(5)
Medical Insurance	450,000	(3)	(7) (8)
Public Official Position (Director Fidelity)	75	(3)	(4)
Automobile Insurance	4,800	(3)	(5)
Workers Compensation	14,250	(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>\$533,225</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.

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ENGINEERING, LEGAL AND PROFESSIONAL EXPENSES
2027 ANNUAL BUDGET

Engineering Services	500,000 (1)
Legal Services	20,000 (3)
Accounting & Auditing	30,000 (2)
Computer Support services	18,000 (2)
Website Development & Maintenance	6,750 (2)
Hardware, Software Upgrades and Maintenance	22,500 (2)
Miscellaneous Bank Fees	6,000 (3)
	<u><u>\$603,250</u></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
2027 ANNUAL BUDGET

<u>FIELD EXPENDITURES</u>	<u>2026 BUDGET</u>	<u>2026 PROJECTED</u>	<u>2027 BUDGET</u>
SALARIES	\$1,401,470	\$1,210,000	\$1,489,660
MATERIALS & SUPPLIES	396,580	363,000	361,070
CONTRACT LABOR AND EQUIPMENT			
Contracted	\$1,453,630	1,150,000	1,622,805
Purchased	\$0	0	15,000
Subtotal	<u>1,453,630</u>	<u>1,150,000</u>	<u>1,637,805</u>
UTILITIES	189,400	142,000	213,260
Total	<u><u>\$3,441,080</u></u>	<u><u>\$2,865,000</u></u>	<u><u>\$3,701,795</u></u>

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FIELD EXPENDITURES BY LOCATION
2027 ANNUAL BUDGET

LOCATIONS	FIELD SALARIES	MATERIALS AND SUPPLIES	CONTRACT LABOR AND EQUIPMENT	UTILITIES	LOCATION TOTAL
Lake Houston & Pump Station	\$579,227	\$114,963	\$919,115	\$213,261	\$1,826,566
West Canal	301,623	125,293	174,925	0	601,841
Dam & Downstream	608,812	120,815	543,765	0	1,273,392
	<u>\$1,489,662</u>	<u>\$361,071</u>	<u>\$1,637,805</u>	<u>\$213,261</u>	<u>\$3,701,799</u>

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

LOCATION	BASE COMPENSATION	RETIREE PAY (1)	5% OVERTIME (2)	TOTAL
Lake Houston & Pump Station	\$542,121	\$10,000	\$27,106	\$579,227
West Canal	287,260	0	14,363	301,623
Dam & Downstream	579,821	0	28,991	608,812
	<u>\$1,409,202</u>	<u>\$10,000</u>	<u>\$70,460</u>	<u>\$1,489,662</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
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>				
Lake Houston Pump Station	0.05	104	\$99.62	\$10,360
West Canal	0.20	416	99.62	41,442
Dam & Downstream	0.30	624	99.62	62,163
Subtotal	0.55	1,144	99.62	113,965
<u>SUPERVISORY PERSONNEL (2)</u>				
Lake Houston Pump Station	0.60	1,248	75.72	94,499
West Canal	0.70	1,456	75.72	110,248
Dam & Downstream	1.25	2,600	75.72	196,872
Subtotal	2.55	5,304	75.72	401,619
<u>ALL OTHER PERSONNEL (3)</u>				
Lake Houston Pump Station	5.73	11,908	36.72	437,262
West Canal	1.78	3,692	36.72	135,570
Dam & Downstream	4.20	8,736	36.72	320,786
Subtotal	11.70	24,336	36.72	893,618
Total Base Salaries	14.80	30,784	\$45.78	\$1,409,202

- (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 Construction 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.

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ANALYSIS OF MATERIALS AND SUPPLIES BY LOCATION
2027 ANNUAL BUDGET

LOCATION AND DESCRIPTION

LAKE HOUSTON AND PUMP STATION

Air Conditioning Repair Parts	\$3,644
Automotive / Equip Repair Parts	3,500
Building / Grounds Maintenance	9,000
Electrical / Instrument	7,000
Herbicides / Insecticides	2,000
Lab Test Equipment & Supplies	3,000
Mechanical, Plumbing, Valves, etc	3,956
Miscellaneous Supplies	37,708
Office / Administrative	4,538
Oils and Lubricants	5,382
Power Tools, Hand Tools & Equip.	6,840
Road Base, Sand, Rock, Rip Rap, etc.	2,000
Tires & Batteries	3,100
Personal Protective Equipment	23,295
	<u>114,963</u>

WEST CANAL

Air Conditioning Repair Parts	1,821
Automotive / Equip Repair Parts	3,500
Building / Grounds Maintenance	5,250
Diesel Fuel	28,364
Electrical / Instrument	4,000
Gasoline	13,436
Herbicides / Insecticides	20,000
Mechanical, Plumbing, Valves, etc	7,406
Miscellaneous Supplies	19,418
Office / Administrative	1,300
Oils and Lubricants	828
Power Tools, Hand Tools & Equip.	7,870
Road Base, Sand, Rock, Rip Rap, etc.	10,000
Tires & Batteries	2,100
	<u>125,293</u>

DAM & DOWNSTREAM

Air Conditioning Repair Parts	1,821
Automotive / Equip Repair Parts	3,500
Building / Grounds Maintenance	7,840
Electrical / Instrument	7,000
Herbicides / Insecticides	13,000
Miscellaneous Supplies	34,376
Office / Administrative	9,182
Oils and Lubricants	1,656
Power Tools, Hand Tools & Equip.	14,340
Road Base, Sand, Rock, Rip Rap, etc.	25,000
Tires & Batteries	2,100
Welding Equip & Supplies	1,000
	<u>120,815</u>

Total	<u><u>\$361,071</u></u>
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COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
ANALYSIS OF CONTRACT LABOR AND EQUIPMENT BY LOCATION
2027 ANNUAL BUDGET

LOCATION AND DESCRIPTION

LAKE HOUSTON AND PUMP STATION

Security: Contract Guards	\$ 254,700
Security: Fencing Repairs/Replacement	25,000
Contract Labor (Welders, Divers, Tech Spt, etc)	\$ 10,000
Major Motor Repair, 1 each	250,000
Major Pump Repair, 1 each	250,000
4KV Remote Racking	50,000
4KV Breaker/Contractor Refurbish	15,000
Training: Safety (1st Aid, CPR, AED, CSE, etc.)	19,800
Annual Service Contracts:	
Crane/Hoist Test/Certification	700
Pest Control Service	630
Substation, Relay Testing	15,000
AI Monitoring and Performance Improvement	10,000
Uniform Service	5,150
Generator Load Testing	1,320
Asset Management Software	1,690
Emergency Radio Subscription	1,890
PMIS	3,235
Purchase Equipment:	
10' Diesel Pump Trailer Mounted	5,000
	<u>919,115</u>

WEST CANAL

Contract Labor (Welders, Divers, Tech Spt, etc)	\$ 15,000
Security: Fencing Repairs/Replacements	150,000
Annual Service Contracts:	
Asset Management Software	1,690
PMIS	3,235
Purchase Equipment:	
10' Diesel Pump Trailer Mounted	5,000
	<u>174,925</u>

DAM & DOWNSTREAM

Aquatic Vegetation Control	200,000
Contract Labor (Welders, Divers, Tech Spt, etc)	\$ 50,000
Dam: Debris Removal	200,000
Buoy Maintenance	12,000
Equipment Rental Services	10,000
Security: Fencing Repairs/Replacement	25,000
Training: USACE Dam Safety	15,000
Auto Change-Over Switch for Power Outages	20,000
Annual Service Contracts:	
Crane/Hoist Test/Certification	700
Generator Load Testing	880
Asset Management Software	1,950
PMIS	3,235
Purchase Equipment:	
10' Diesel Pump Trailer Mounted	5,000
	<u>543,765</u>

Total \$1,637,805

COASTAL WATER AUTHORITY
LAKE HOUSTON FACILITIES PROJECT
ANALYSIS OF UTILITIES BY LOCATION
2027 ANNUAL BUDGET

LOCATION	ELECTRICITY				TOTAL
	KW HOURS	AVG. RATE PER HOUR	AMOUNT (1)	ALL OTHER (2)	
Lake Houston & Pump Station	1,362,620	\$0.1455	\$198,261	\$15,000	\$213,261
	<u>1,362,620</u>	<u>\$0.1455</u>	<u>\$198,261</u>	<u>\$15,000</u>	<u>\$213,261</u>

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

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