

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT PLANT PROJECT
2027 ANNUAL BUDGET

DRAFT

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
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2027 ANNUAL BUDGET

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COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT 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)	\$2,559,750	\$2,407,000	\$2,614,180
Capital Outlay (2)	934,561	634,561	1,111,500
Debt Service	0	0	0
Comparative Subtotal	<u>3,494,311</u>	<u>3,041,561</u>	<u>3,725,680</u>
Total Expenditures	3,494,311	3,041,561	3,725,680
Ending Fund Balances	<u>432,167</u>	<u>1,450,033</u>	<u>435,499</u>
Total Applications	<u>3,926,478</u>	<u>4,491,594</u>	<u>4,161,179</u>
<u>SOURCE OF FUNDS</u>			
Beginning Fund Balances	1,115,065	1,865,194	1,450,033
Investment Income	9,235	40,000	19,476
Subtotal Sources	<u>1,124,300</u>	<u>1,905,194</u>	<u>1,469,509</u>
System Revenue	<u>\$2,802,178</u>	<u>\$2,586,400</u>	<u>\$2,691,670</u>

(1) Includes assets purchased.

(2) Design for admin/control building.

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
FACTS AND ASSUMPTIONS
2027 ANNUAL BUDGET

FACTS

1. The 2027 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 \$435,669 for 2027.

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
RECONCILIATION OF 2026 BUDGET TO 2027 BUDGET

	2026 to 2027 Budget
2026 Budget	<u>\$2,559,750</u>
Field Salaries	45,180
Materials & Supplies	(33,610)
Contract Labor & Equipment	(25,250)
Utilities	33,210
Administrative Expense (Includes Pension, Social Security Costs)	36,800
General Operating Expenses (Insurance)	(22,700)
Engineering, Legal & Professional	<u>20,800</u>
Subtotal	<u>54,430</u>
2027 Budget	<u><u>\$2,614,180</u></u>

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
STATEMENT OF REVENUES AND EXPENDITURES
2027 ANNUAL BUDGET

	2026 BUDGET	2026 PROJECTED	2027 BUDGET
REVENUES & LOAN PROCEEDS:			
Interest on Investments	\$9,235	\$40,000	\$28,000
Service Revenues	2,802,178	2,586,400	2,691,670
Total Revenue	2,811,413	2,626,400	2,719,670
 Total Revenues :	 2,811,413	 2,626,400	 2,719,670
 EXPENDITURES			
Field Salaries	670,260	690,000	715,440
Materials & Supplies	704,650	642,000	671,040
Contract Labor & Equipment (1)	243,890	135,000	218,640
Utilities	127,750	121,000	160,960
Administrative Expenses	338,500	380,000	375,300
General Operating Expenses	349,100	290,000	326,400
Engineering, Legal & Professional	125,600	149,000	146,400
Subtotal	2,559,750	2,407,000	2,614,180
Total Expenditures	3,494,311	2,407,000	2,614,180

(1) Includes assets purchased.

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
RECONCILIATION OF FUND ACTIVITY
2027 ANNUAL BUDGET

	OPERATING FUND	SPECIAL PROJECTS EMERGENCY RESERVE	TOTAL WATER TREATMENT PLANT
Beginning Balance	<u>\$1,450,033</u>	<u>\$243,540</u>	<u>\$1,693,573</u>
Service Revenue	2,691,670	0	2,691,670
Interest Earnings	19,476	8,524	28,000
Expenses	(2,614,180)	0	(2,614,180)
Capital Outlay	(1,111,500)		(1,111,500)
Net Activity	<u>(1,014,534)</u>	<u>8,524</u>	<u>(1,006,010)</u>
Ending Balance	<u><u>\$435,499</u></u>	<u><u>\$252,064</u></u>	<u><u>\$687,563</u></u>

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
REVENUES AND BILLING RATES
2027 ANNUAL BUDGET

	<u>2026 BUDGET</u>	<u>2026 PROJECTED</u>	<u>2027 BUDGET</u>	
Gallons (in thousands)	1,542,200	1,423,445	1,467,650	
Rate/1000 gallons	\$1.817	\$1.817	\$1.834	(1)
Revenue	<u>\$2,802,178</u>	<u>\$2,586,400</u>	<u>\$2,691,670</u>	

- (1) Budget rate for 2027 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
2027 ANNUAL BUDGET

INVESTMENT INCOME

Average Operating Cash and Investments \$800,000

Average Effective Interest Rate 3.50%

Total \$28,000

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
2027 ANNUAL BUDGET

<u>GENERAL AND ADMINISTRATIVE EXPENDITURES</u>	<u>2026 BUDGET</u>	<u>2026 PROJECTED</u>	<u>2027 BUDGET</u>
ADMINISTRATIVE	\$338,500	\$380,000	\$375,300
GENERAL OPERATING (Insurance)	349,100	290,000	326,400
ENGINEERING, LEGAL & PROFESSIONAL	<u>125,600</u>	<u>149,000</u>	<u>146,400</u>
Total	<u>\$813,200</u>	<u>\$819,000</u>	<u>\$848,100</u>

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
ADMINISTRATIVE EXPENSES
2027 ANNUAL BUDGET

Administrative Salaries	\$129,150 (1)
Pension Plan Contribution (11.8% of total compensation)	99,662
Payroll Taxes (7.65% of total compensation)	64,611
Office Lease and Utilities	54,000 (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)
	<u><u>\$375,323</u></u>

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

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
OFFICE SALARY ALLOCATION
2027 ANNUAL BUDGET

Executive Director

Finance Manager

HR Manager

Chief Accountant

Senior Accountant

Senior Accountant

Accountant

Payroll / Pension Coordinator

Executive Secretary

Base Office Salaries	<u>1,435,000</u>
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Office Allocation Factor (1)	<u>9.0%</u>
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Red Bluff Water Treatment Office Salaries	<u><u>\$129,150</u></u>
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(1) Based upon payroll estimate allocation of 9.0%.

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
GENERAL OPERATING EXPENSES
2027 ANNUAL BUDGET

INSURANCE PREMIUM DESCRIPTION

Property Insurance	\$	15,000	(1)	(6)
Texas Commercial Policy (General Liability)		2,340	(3)	(5)
Public Official & Employees Errors and Omissions		1,215	(3)	(5) (7)
Pension - Fidelity Bond		45	(3)	(4)
Pension - Fiduciary Responsibility		630	(3)	(5)
Medical Insurance		270,000	(3)	(7) (8)
Public Official Position (Director Fidelity)		45	(3)	(4)
Automobile Insurance		2,880	(3)	(5)
Workers Compensation		8,550	(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>326,355</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
2027 ANNUAL BUDGET

Engineering Services - (M&O)	75,000	(1)
Legal Services	20,000	(3)
Accounting & Auditing	18,000	(2)
Computer Support services	10,800	(2)
Website Development & Maintenance	4,050	(2)
Hardware, Software Upgrades and Maintenance	13,500	(2)
Miscellaneous Bank Fees	5,000	(3)
	<u>\$146,350</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
2027 ANNUAL BUDGET

<u>FIELD EXPENDITURES</u>	<u>2026 BUDGET</u>	<u>2026 PROJECTED</u>	<u>2027 BUDGET</u>
SALARIES	\$670,260	\$690,000	\$715,440
MATERIALS & SUPPLIES	704,650	642,000	671,040
CONTRACT LABOR AND EQUIPMENT			
Contracted	163,890	115,000	133,640
Purchased	80,000	20,000	85,000
Subtotal	<u>243,890</u>	<u>135,000</u>	<u>218,640</u>
UTILITIES	127,750	121,000	160,960
Total	<u><u>\$1,746,550</u></u>	<u><u>\$1,588,000</u></u>	<u><u>\$1,766,080</u></u>

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT 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>
Water Treatment Plant	<u>\$676,610</u>	<u>\$5,000</u>	<u>\$33,831</u>	<u>\$715,441</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
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>				
Water Treatment Plant	<u>0.11</u>	<u>229</u>	<u>\$99.62</u>	<u>\$22,813</u>
<u>SUPERVISORY PERSONNEL (2)</u>				
Water Treatment Plant	<u>0.71</u>	<u>1,352</u>	<u>75.72</u>	<u>102,373</u>
<u>ALL OTHER PERSONNEL (3)</u>				
Water Treatment Plant	<u>6.97</u>	<u>15,017</u>	<u>36.72</u>	<u>551,424</u>
Total Base Salaries	<u>7.79</u>	<u>16,598</u>	<u>\$40.76</u>	<u>\$676,610</u>

- (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
RED BLUFF WATER TREATMENT FUNDS
ANALYSIS OF MATERIALS AND SUPPLIES BY LOCATION
2027 ANNUAL BUDGET

DESCRIPTION (1)

Air Conditioning Repair Parts	\$1,821
Automotive / Equipment Repair Parts	2,000
Building / Grounds Maintenance	1,440
CHEMICALS:	
-- Lime	348,750
-- Ferric Sulfate	151,500
-- Polymer	15,190
Diesel Fuel	1,773
Electrical / Instrument	8,000
Gasoline	1,493
Herbicides / Insecticides	2,000
Lab Test Equip&Supplies	2,500
Mechanical, Plumbing, Valves, etc.	39,560
Miscellaneous Supplies	41,298
Office / Administrative	14,514
Oils and Lubricants	16,560
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>\$671,044</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
2027 ANNUAL BUDGET

DESCRIPTION (1)

Contract Labor (Welders, Divers, Tech Spt, Etc.)	15,000
Security : Fencing Repairs/Replacement	7,700
Training: Safety (1st Aid, CPR, AED, CSE, etc.)	12,100
Trucking Services	30,000
4KV Remote Racking	15,000
Water Analyzer Replacement	40,000
Annual Service Contracts:	
Pest Control Service	380
Uniform Service	5,150
Generator Load Testing	880
Asset Management Software	3,250
Emergency Radio Subscription	945
PMIS	3,235
Purchase Equipment:	
Spare Parts Clarifier	80,000
10' Diesel Pump Trailer Mounted	5,000
Total	<u>\$ 218,640</u>

(1) Water Treatment Plant is the only location.

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
ANALYSIS OF UTILITIES BY LOCATION
2027 ANNUAL BUDGET

LOCATION	ELECTRICITY			ALL OTHER (2)	TOTAL
	KW HOURS	AVG. RATE PER HOUR	AMOUNT (1)		
Red Bluff Water Treatment Plant	1,641,024	\$0.09199	\$150,958	\$10,000	\$160,958

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

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

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
CAPITAL OUTLAYS
2027 ANNUAL BUDGET

	AMOUNT
<u>Assessment/Engineering/Design</u>	\$300,000
<u>Building Improvements</u>	\$811,500
Total Capital Outlays	<u>\$1,111,500</u>