

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT PLANT PROJECT
2021 ANNUAL BUDGET

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
TABLE OF CONTENTS
2021 ANNUAL BUDGET

	<u>PAGE</u>
Budget Transmittal Letter	E - 1
Budget Summary - Comparative	E - 2
Facts and Assumptions	E - 2 - 1
Reconciliation of 2020 Budget to 2021 Budget	E - 2 - 2
Statement of Revenues and Expenditures	E - 3
Reconciliation of Fund Activity	E - 3 - 1
Revenues and Billing Rates	E - 4
Investment and Other Income	E - 5
Summary of General and Administrative Expenditures	E - 6
Administrative Expenses	E - 7
Office Salary Allocation	E - 7 - 1
General Operating Expenses	E - 8
Engineering, Legal and Professional Expenses	E - 9
Summary of Field Expenditures	E - 10
Summary of Field Salaries by Location	E - 11
Analysis of Base Field Salaries by Function and Location	E - 11 - 1
Analysis of Materials and Supplies by Location	E - 12
Analysis of Contract Labor and Equipment by Location	E - 13
Analysis of Utilities by Location	E - 14
Debt Service	E - 15

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
BUDGET SUMMARY
2021 ANNUAL BUDGET

<u>APPLICATION OF FUNDS</u>	<u>2020 BUDGET</u>	<u>2020 PROJECTED</u>	<u>2021 BUDGET</u>
Expenditures (1)	\$1,785,700	\$1,644,000	\$1,816,200
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Comparative Subtotal	1,785,700	1,644,000	1,816,200
Total Expenditures	1,785,700	1,644,000	1,816,200
Ending Fund Balances	<u>492,668</u>	<u>492,668</u>	<u>497,968</u>
Total Applications	<u>2,278,368</u>	<u>2,136,668</u>	<u>2,314,168</u>
 <u>SOURCE OF FUNDS</u>			
Beginning Fund Balances	630,968	731,168	492,668
Investment Income	<u>7,100</u>	<u>5,500</u>	<u>500</u>
Subtotal Sources	<u>638,068</u>	<u>736,668</u>	<u>493,168</u>
System Revenue	<u><u>\$1,640,300</u></u>	<u><u>\$1,400,000</u></u>	<u><u>\$1,821,000</u></u>

(1) Includes assets purchased.

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
FACTS AND ASSUMPTIONS
2021 ANNUAL BUDGET

FACTS

1. The 2021 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 8.8%.

ASSUMPTIONS

1. Salaries anticipates funding the employee benefits of one field retiree.
2. Assumes timely payment of billings by Pasadena Refinery Systems, Inc. and Sekisui Special Chemicals America, LLC.
3. The Operating Fund should be maintained adequate to provide funding for two months expenditures. Such amount is \$302,723 for 2021.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 RECONCILIATION OF 2020 BUDGET TO 2021 BUDGET

	2020 to 2021 Budget
2020 Budget	<u>\$1,785,700</u>
Field Salaries	2,400
Materials & Supplies	42,200
Contract Labor & Equipment	(1,600)
Utilities	(3,900)
Administrative Expense (Includes Pension, Social Security Costs)	(15,200)
General Operating Expenses (Insurance)	9,300
Engineering, Legal & Professional	<u>(2,700)</u>
Subtotal	<u>30,500</u>
2021 Budget	<u><u>\$1,816,200</u></u>

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
STATEMENT OF REVENUES AND EXPENDITURES
2021 ANNUAL BUDGET

	2020 BUDGET	2020 PROJECTED	2021 BUDGET
REVENUES & LOAN PROCEEDS:			
Interest on Investments	\$7,100	\$5,500	\$500
Service Revenues	1,640,300	1,400,000	1,821,000
Total Revenue	1,647,400	1,405,500	1,821,500
Total Revenues :	1,647,400	1,405,500	1,821,500
 EXPENDITURES			
Field Salaries	618,500	540,000	620,900
Materials & Supplies	371,200	330,000	413,400
Contract Labor & Equipment (1)	65,000	64,000	63,400
Utilities	162,400	149,000	158,500
Administrative Expenses (1)	296,200	290,000	281,000
General Operating Expenses	205,000	220,000	214,300
Engineering, Legal & Professional	67,400	51,000	64,700
Subtotal	1,785,700	1,644,000	1,816,200
Total Expenditures	1,785,700	1,644,000	1,816,200
	(2)		(3)
Net Increase (Decrease) in Operating Fund Balances	(\$138,300)	(\$238,500)	\$5,300

(1) Includes assets purchased.

(2) Net of decrease in Operating Fund and increase in Special Projects Emergency Reserve.

(3) Net of decrease in Operating Fund and increase in Special Projects Emergency Reserve.

COASTAL WATER AUTHORITY
RED BLUFF WATER TREATMENT FUNDS
RECONCILIATION OF FUND ACTIVITY
2021 ANNUAL BUDGET

	OPERATING FUND	SPECIAL PROJECTS EMERGENCY RESERVE	TOTAL WATER TREATMENT PLANT
Beginning Balance	\$297,618	\$195,050	\$492,668
Service Revenue	1,821,000	0	1,821,000
Interest Earnings	305	195	500
Expenses	(1,816,200)	0	(1,816,200)
Debt Service	0	0	0
Net Activity	<u>5,105</u>	<u>195</u>	<u>5,300</u>
Ending Balance	<u><u>\$302,723</u></u>	<u><u>\$195,245</u></u>	<u><u>\$497,968</u></u>

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 REVENUES AND BILLING RATES
 2021 ANNUAL BUDGET

	<u>2020 BUDGET</u>	<u>2020 PROJECTED</u>	<u>2021 BUDGET</u>	
Gallons (in thousands)	1,533,000	1,308,500	1,350,500	
Rate/1000 gallons	\$1.070	\$1.070	\$1.348	(1)
Revenue	<u>\$1,640,300</u>	<u>\$1,400,000</u>	<u>\$1,821,000</u>	

- (1) Budget rate for 2021 assumes average daily water volume demand of 2.5 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
2021 ANNUAL BUDGET

INVESTMENT INCOME

Average Operating Cash and Investments	\$470,000
Average Effective Interest Rate	0.10%
Total	<u><u>\$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
 2021 ANNUAL BUDGET

<u>GENERAL AND ADMINISTRATIVE EXPENDITURES</u>	<u>2020 BUDGET</u>	<u>2020 PROJECTED</u>	<u>2021 BUDGET</u>
ADMINISTRATIVE	\$296,200	\$290,000	\$281,000
GENERAL OPERATING (Insurance)	205,000	220,000	214,300
ENGINEERING, LEGAL & PROFESSIONAL	<u>67,400</u>	<u>51,000</u>	<u>64,700</u>
Total	<u>\$568,600</u>	<u>\$561,000</u>	<u>\$560,000</u>

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 ADMINISTRATIVE EXPENSES
 2021 ANNUAL BUDGET

Administrative Salaries	\$95,480	(1)
Pension Plan Contribution (11.8% of total compensation)	84,533	
Payroll Taxes (7.65% of total compensation)	54,803	
Office Lease and Utilities	28,160	(1)
Office Supplies	3,080	(1)
Travel, Meetings and Parking	2,200	(1)
Directors Compensation	2,640	(1)
Printing and Reproduction	2,200	(1)
Telephone/ Data Maintenance	3,520	(1)
Vehicle: Gas & Maintenance	880	(1)
Payroll / Employee Processing Services	2,200	(1)
Miscellaneous	1,320	(1)
	\$281,016	

(1) Allocated based upon payroll estimate of 8.8%.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 OFFICE SALARY ALLOCATION
 2021 ANNUAL BUDGET

Executive Director

Chief Financial Officer

Chief Accountant

Senior Accountant

Senior Accountant

Senior Accountant

Senior Accountant

Administrative Assistant

	Base Office Salaries	1,085,000
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	Office Allocation Factor (1)	8.8%
	Red Bluff Water Treatment Office Salaries	\$95,480

(1) Based upon payroll estimate allocation

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 GENERAL OPERATING EXPENSES
 2021 ANNUAL BUDGET

INSURANCE PREMIUM DESCRIPTION

Property Insurance	\$	30,000	(1)	(5)
Texas Commercial Policy (General Liability)		2,640	(3)	(5)
Public Official & Employees Liability		1,056	(3)	(4) (7)
Pension - Fidelity Bond		18	(3)	(4)
Pension - Fiduciary Responsibility		660	(3)	(5)
Medical Insurance		149,600	(3)	(6) (7)
Public Official Position (Director Fidelity)		106	(3)	(4)
Automobile Insurance		2,288	(3)	(5)
Workers Compensation		11,880	(3)	(5) (7)
Dental Insurance		6,600	(3)	(5) (7)
Vision Insurance		1,496	(3)	(5) (7)
Combined Group Life/Short Term & Long Term Disability		7,920	(3)	(5) (7)
	<u>\$</u>	<u>214,264</u>		

- (1) Allocated based upon total insurable value of 6%.
- (3) Allocated based upon total payroll estimate of 8.8%.
- (4) Assumes no rate increase.
- (5) Assumes 5% rate increase.
- (6) Assumes 10% rate increase.
- (7) Assumes full employment.

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 ENGINEERING, LEGAL AND PROFESSIONAL EXPENSES
 2021 ANNUAL BUDGET

Engineering Services - (M&O)	30,000	(1)
Legal Services	10,000	(3)
Accounting & Auditing	5,808	(2)
Computer Support services	7,040	(2)
Website Development & Maintenance	3,520	(2)
Hardware, Software Upgrades and Maintenance	3,520	(2)
Miscellaneous Bank Fees	4,800	(3)
	\$64,688	

- (1) Based upon specific services
- (2) Allocated based upon total payroll estimate of 8.8%.
- (3) Based upon specific and allocated services

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 SUMMARY OF FIELD EXPENDITURES
 2021 ANNUAL BUDGET

<u>FIELD EXPENDITURES</u>	<u>2020 BUDGET</u>	<u>2020 PROJECTED</u>	<u>2021 BUDGET</u>
SALARIES	\$618,500	\$540,000	\$620,900
MATERIALS & SUPPLIES	371,200	330,000	413,400
CONTRACT LABOR AND EQUIPMENT			
Contracted	57,500	56,500	63,400
Purchased	7,500	7,500	0
Subtotal	<u>65,000</u>	<u>64,000</u>	<u>63,400</u>
UTILITIES	162,400	149,000	158,500
Total	<u>\$1,217,100</u>	<u>\$1,083,000</u>	<u>\$1,256,200</u>

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 SUMMARY OF FIELD SALARIES BY LOCATION
 2021 ANNUAL BUDGET

<u>LOCATION</u>	<u>BASE COMPENSATION</u>	<u>RETIREE PAY (1)</u>	<u>4% OVERTIME (2)</u>	<u>TOTAL</u>
Water Treatment Plant	<u>\$548,985</u>	<u>\$50,000</u>	<u>\$21,959</u>	<u>\$620,944</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
 2021 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	0.10	208	\$71.25	\$14,820
<u>SUPERVISORY PERSONNEL (2)</u>				
Water Treatment Plant	0.60	1,248	63.65	79,435
<u>ALL OTHER PERSONNEL (3)</u>				
Water Treatment Plant	6.80	14,144	32.15	454,730
Total Base Salaries	<u>7.50</u>	<u>15,600</u>	<u>\$35.19</u>	<u>\$548,985</u>

- (1) Includes Manager of Operations and Production, Manager of Security & General Superintendent.
- (2) Includes Superintendents, Master Electrician, Administrator OPM, and Purchasing Agent.
- (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
 2021 ANNUAL BUDGET

DESCRIPTION (1)

Air Conditioning Repair Parts	\$1,000
Automotive / Equipment Repair Parts	1,000
Building / Grounds Maintenance	2,000
CHEMICALS:	
-- Lime	206,300
-- Ferric Sulfate	99,000
-- Polymer	12,600
Diesel Fuel	1,000
Electrical / Instrument	6,000
Gasoline	1,000
Herbicides / Insecticides	3,000
Lab Test Equip&Supplies	3,000
Mechanical, Plumbing, Valves, etc.	10,000
Miscellaneous Supplies	14,200
Office / Administrative	1,000
Oils and Lubricants	10,000
Power Tools, Hand Tools & Equip.	4,000
Road Base, Sand, Rock, Rip Rap, etc.	1,000
Access Control Devices	33,300
Tires & Batteries	1,000
Welding Equipment & Supplies	3,000
Total	<u><u>\$413,400</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
 2021 ANNUAL BUDGET

DESCRIPTION (1)		
Major Motor Repair, 1 each	\$	17,000
Major Pump Repair, 1 each		12,000
Trucking Services		25,000
Annual Service Contracts:		
Pest Control Service		400
Uniform Service		3,200
Generator Load Testing		800
Asset Management Software Upgrade		5,000
Total	\$	63,400

COASTAL WATER AUTHORITY
 RED BLUFF WATER TREATMENT FUNDS
 ANALYSIS OF UTILITIES BY LOCATION
 2021 ANNUAL BUDGET

ELECTRICITY					
LOCATION	KW HOURS	AVG. RATE PER HOUR (1)	AMOUNT	ALL OTHER (2)	TOTAL
Red Bluff Water Treatment Plant	2,395,000	\$0.06200	\$148,500	\$10,000	\$158,500

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