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**Meeting Date:** August 31, 2023      **Agenda Type:** Action Items

**From:** Melissa Krause  
Chief Strategic  
Communications and Security  
Officer      **Reviewed by:** Melissa Krause  
Chief Strategic Communications  
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**Submitted by:** Melissa Krause  
Chief Strategic  
Communications and Security  
Officer      **Approved by:** Ryan Kelso  
Interim Chief Executive Officer

**RECOMMENDED ACTION:** Discuss and Consider Approval of the Fiscal Year 2024 Strategic Plan Updates

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## **BACKGROUND**

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In March 2023, the New Braunfels Utilities Board of Trustees approved the FY 2024 strategic plan through its budget approval process. Following this initial approval, a rigorous assessment of the strategic objectives was conducted to ensure their alignment with the organization's core objectives.

Since the board's March approval, the strategic goal metrics were refined through a comprehensive evaluation to enhance their accuracy and relevance. Additionally, a realistic evaluation of the 14 annual priorities for FY 2024 was conducted in light of the ongoing enterprise-wide workload and resource constraints. This evaluation led to thoughtful refinement, resulting in a focused selection of seven priority areas. It is important to note that priorities excluded from this narrowed list will be neither disregarded nor invalidated; rather, they will be subject to postponement or managed within individual departments, acknowledging their localized impact.

To achieve a more equitable and strategically coherent framework, a notable recommendation is presented concerning the allocation of annual performance measure payouts. The proposal advocates for a substantial shift in weighting, assigning 70% to strategic goals, in contrast to the existing 30%. Additionally, recognizing the extended timeframes some strategic goals demand, achieving 75% of the strategic goals is proposed to be recognized with a full 100% payout. This adaptive approach respects the dedicated commitment these longer-term pursuits necessitate. This adjustment concurrently positions annual priorities at a 30% weighting, fostering balance within the assessment framework. It is important to note that the annual performance measures payout is designed to incentivize company-wide performance, ultimately leading to increased organizational efficiencies and avoided costs.

Furthermore, the insights gleaned from the NBU's four-day strategic workshop have yielded valuable determinants of company-wide service levels and key performance indicators. Responding

appropriately, the NBU leadership team has carefully aligned departmental priorities with these foundational metrics, affirming their integration into the year-long trajectory and beyond.

In response to these refined FY 2024 strategic goals, distilled annual priorities, and the realigned performance measures weighting, we request the board's consideration for approval. The proposed revisions significantly support NBU's commitment to advancing its mission while appropriately stewarding resources and optimizing operational excellence.

#### **FINANCIAL IMPACT**

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None

#### **LINK TO STRATEGIC PLAN**

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**Customers and Community**

**People and Culture**

**Infrastructure and Technology**

**Financial Excellence**

**Safety and Security**

**Stewardship**

#### **EXHIBITS**

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Fiscal Year 2024 Strategic Plan Updates Presentation