



NBU Board Meeting

**Fiscal Year 2025
Strategic Plan
WORKSHOP**

January 18, 2024

AGENDA: Strategic Plan Workshop

- I. Strategic Plan Timeline
- II. Review NBU's FY 2025 Strategic Plan:
 - Mission, Vision, and Core Values
 - Guiding Principles
 - Strategic Goals
 - Annual Priorities
 - Performance Measure Payout

Desired Action:

- I. Contribute and Provide Input on NBU's Proposed FY 2025 Strategic Plan



Strategic Plan Timeline



MISSION

Strengthening our community by providing resilient essential services



CORE VALUES

Safety, Team,
Integrity,
Culture,
and Stewardship



VISION

Be a trusted community partner dedicated to excellence in service



ONE UTILITY, ONE TEAM

Place organizational success above individual priorities and work together to maintain a team-oriented culture.

SPEAK UP, LEAD, AND CARE FOR ALL

Lead and foster an environment of shared responsibility where everyone feels valued and empowered to perform their job.

KNOW AND DO THE RIGHT THING

Uphold the trust and confidence of the community and the organization.



CONTINUOUSLY IMPROVE

Plan thoughtfully, set realistic expectations, and learn when things do not turn out as expected.

BE CONVENIENT

Anticipate expectations and provide a positive experience.

BE FLEXIBLE AND INNOVATIVE

View challenges as opportunities and pursue new solutions.

BE RESILIENT

Be prepared to adapt to and recover from disruptions.



FISCAL YEAR 2025 STRATEGIC GOALS



Customer and Community

People and Culture

Infrastructure and Technology

Financial Excellence

Safety and Security

Stewardship



STRATEGIC GOALS

CUSTOMERS AND COMMUNITY

Goal Statement	We provide a customer-first focus and commit to innovative solutions to improve the customer experience.
Goal Measure	<p>FY 2024: Customer Satisfaction Benchmark – Organizational Characteristics by NBU’s vendor, GreatBlue, above industry standard (<i>Measurement Comes Public Power Data Source and will be available in early 2024</i>).</p> <p>FY 2025: Community Engagement and Outreach to enhance community relations with meaningful conversations; Activate with $\geq 10\%$ of the customer base (an average of 4,750 customers).</p>
Goal Summary	We are committed to anticipating and exceeding customer expectations by offering a wide range of convenient on-demand services while providing a positive customer experience.

STRATEGIC GOALS

PEOPLE AND CULTURE

Goal Statement	We will care for our employees, build on our team-oriented culture, promote ethical behavior, and prepare our team to meet the challenges ahead.
Goal Measures	<ol style="list-style-type: none">1. Maintain Gallup engagement survey participation > 80%.2. Implement select recommendations as presented by the Employee Experience Team.
Goal Summary	People and culture are essential to our success. An engaged and ethical workforce is one where employees are involved in, enthusiastic about, and committed to their work and workplace.

STRATEGIC GOALS

INFRASTRUCTURE AND TECHNOLOGY

Goal Statement

We maintain reliable and resilient systems through responsible planning, asset management, and innovative technologies that align with the strategic direction of the organization.

Goal Measures

1. Maintain a three-year rolling average SAIDI in top 10% of Texas utilities or three-year rolling average < 52.56 minutes (99.99% reliability).
2. Maintain Information Technology Systems Reliability \geq 97% uptime for production systems.
3. Infrastructure Leakage Index (ILI) < 3.0 over a three-year rolling average.
4. Wastewater Treatment Compliance Events - Maintain > 98% compliance.

Goal Summary

Reliable and resilient infrastructure and technology systems are key to strengthening our community. By setting and communicating levels of service, we will build trust and ensure that NBU is delivering the right balance of affordability and reliability.

STRATEGIC GOALS

FINANCIAL EXCELLENCE

Goal Statement

We practice sound financial management to be responsible stewards of public funds.

Goal Measure

Maintain a competitive bond rating - maintain a bond rating of \geq A.

Goal Summary

Financial excellence enables NBU to deliver competitive rates and provide reliable service for the benefit of the community.

STRATEGIC GOALS

SAFETY AND SECURITY

Goal Statement

We strive to place safety and security as the highest priorities for every employee and customer.

Goal Measures

1. Maintain equipment damage incidents to $\leq 2.7\%$ per 200,000 man-hours worked.
2. Manage preventable damage to vehicles at ≤ 10 incidents per 1,000,000 miles driven.

Goal Summary

We approach safety and security with three actions – Speak-Up, Lead, and Care for All. These actions signal to our employees and customers that safety and security, at every level, are the cornerstones of all we do. Our desire is that employees safely return home to their families.

STRATEGIC GOALS

STEWARDSHIP

Goal Statement

We commit to preserving and protecting community resources through planning, innovation, collaboration, and education.

Goal Measure

FY 2024: Two-year project priority list with SMART goals established and approved by the One Water Advisory Council by the end of FY 2024.

FY 2025: Implement water efficiency metric by July 31, 2024.

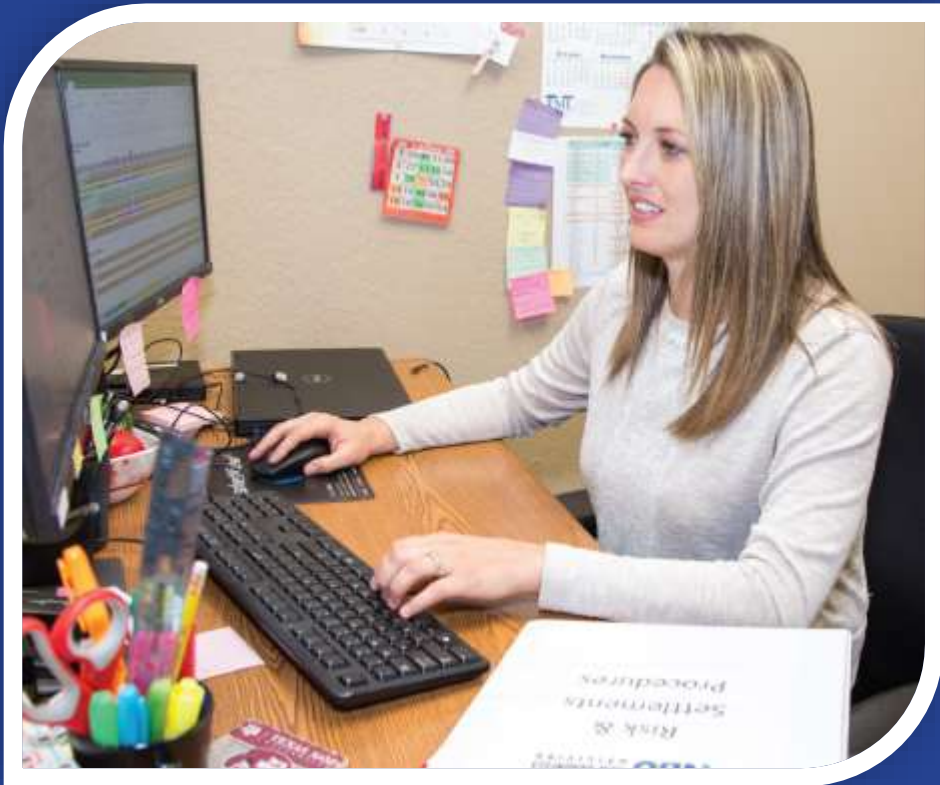
Goal Summary

Our ability to provide innovative essential service is done through responsible management of the community's resources placed in our care, which extends beyond natural resources. Together, we will work to protect and manage those resources for generations to come.

Annual Priorities

- Have an Enterprise-Wide Impact
- There are **Eight** Annual Priorities with Objectives in **FY 2024**
- We are recommending **Nine** Annual Priorities with Objectives for **FY 2025**

FISCAL YEAR 2025 ANNUAL PRIORITIES



Electric Transportation (ET) Program Creation

One Water

Integrated Resource Plan

Power Supply (The Energy Authority) Roadmap

NBU Headquarters

Enterprise Asset Management

Enterprise Project Management

Emergency Management

Optimizing the Customer Experience



FY 2024/2025 ANNUAL PRIORITIES

Annual Priority	2024/2025 Objective
Electric Transportation (ET) Program Creation	FY 2024: Contract with the consulting firm to be signed FY 2025: Program design approved by the Board
FY 2024: Water Efficiency FY 2025: One Water	FY 2024: Define a framework for calculating and measuring water use efficiency and a timeline for implementing the framework FY 2025: Internal measure of the triple bottom line (<i>social, environmental, and financial</i>) scoring matrix incorporated into identified NBU water infrastructure projects in the initiation/planning phases
Integrated Resource Plan	FY 2024: Complete resource plan and present to the Board FY 2025: Present the final Integrated Resource Plan to the Board
Power Supply (The Energy Authority) Roadmap	FY 2024: Implement Phase 1 items of the roadmap, including an evaluation of NBU's target hedging strategies, risk tolerance, and Key Performance Indicators FY 2025: Implement Phase 2 of the roadmap
NBU HQ	FY 2024: Close on the HQ property FY 2025: Complete 100% design and construction drawings



FY 2024/2025 ANNUAL PRIORITIES

Annual Priority	2024/2025 Objective
Enterprise Asset Management	FY 2024: Execute contract with consulting firm FY 2025: Finalize Strategic Asset Management Plan Update, including departmental roadmaps
Enterprise Project Management	FY 2024: Build enterprise-level Project Management Information System and begin training and roll-out FY 2025: Implement project management information system for capital projects across the enterprise. Provide Project Management professional training to all managers, directors, and executives
Emergency Management	FY 2024: Standardize Emergency Management Plans into one Emergency Management Plan that addresses risks and events, targeting 50% completion FY 2025: Complete the standardization of the three Emergency Management Plans into one Emergency Management Plan, 100% completion
Optimizing the Customer Experience	Develop roadmap for optimizing the customer experience



FY 2025 Performance Measures Payout

70% for Strategic Goals: \$430,000

75% Achieved = Full Payout

30% for Annual Priorities: \$185,000

100% Achieved = Full Payout

TOTAL PAYOUT BUDGET: \$615,000*

** Total Investment Subject to Update*



Next Steps:

- I. Strategic Plan approval with budget cycle/process:
 - i. NBU Board of Trustees Budget Workshop – June 6, 2024
 - ii. NBU Board Meeting, Budget Approval Agenda Item – June 27, 2024

