



Meeting Date: June 25, 2026 **Agenda Type:** Action Items

From: Darrin Jensen
Director of Enterprise Project Management Office **Reviewed by:** David Hubbard
Chief Administrative Officer

Submitted by: David Hubbard
Chief Administrative Officer **Approved by:** Ryan Kelso
Chief Executive Officer

RECOMMENDED ACTION: Discuss and Consider Approval of the Proposed Fiscal Year 2028 Through Fiscal Year 2038 Strategic Plan Framework, Goals, Focus Areas, and Timelines

BACKGROUND

New Braunfels Utilities (“NBU”) regularly updates its long-term strategy to make sure our operations, finances, and services keep pace with our community's needs. The Strategy and Research Department has developed a plan to update NBU's strategy from Fiscal Year 2028 through Fiscal Year 2038.

NBU staff is asking the Board of Trustees to formally approve the overarching Framework for this strategy update, which includes the four Strategic Goals and the supporting Strategic Focus Areas.

- The Framework sets our timeline, establishing a long-term target of "Future State 2038" with a checkpoint at "Milestone 2033" and outlines the need for the strategic goals and focus areas.
- Strategic Goals are part of the framework and represent our big-picture targets describing where NBU wants to be by the year 2038.
- Strategic Focus Areas are also part of the framework, serving as the specific categories of work nested under each goal that highlight exactly what staff will work on to hit our milestones.

How We Use the Framework: Updating NBU's strategy does not mean we will try to tackle everything at once. To ensure we stay focused and effective, NBU will strategically pick which focus areas to prioritize each year. As a rule, staff will work on no more than two focus areas per goal in any single year, allowing us to dedicate the right time and resources to the most pressing needs first.

The proposed framework for the strategy update includes the four main goals and their specific focus areas for approval:

1. Ensure Reliable and Resilient Utility Systems (Goal):
 - Project Delivery: Finishing infrastructure projects on time and according to our master plans.

- Integrated Capital Planning: Matching our long-term financial forecasts with our construction priorities.
- Proactive Planning: Designing utility systems that easily adapt to new energy sources, automation, and future technologies.
- Reliability: Taking care of our equipment to cut down on outages and service disruptions.

2. Strengthen Responsible Resource and Financial Management (Goal):

- Reinforcing Financial Foundations: Staying financially flexible and disciplined so the community can trust us to invest in long-term infrastructure.
- Customer Confidence and Transparency: Earning customer trust through clear communication and helpful service.
- Financial Health and Stability: Keeping NBU financially strong to protect our customers' pocketbooks.
- Asset Management: Properly maintaining our equipment and facilities to deliver the best value to our customers.

3. Cultivate a Future-Ready Workforce (Goal):

- Succession and Knowledge Continuity: Training future NBU leaders and preserving the hands-on knowledge of our senior employees.
- Workforce Stability: Improving daily workloads, training, and employee well-being so staff can handle new job and technology demands.
- Preferred Employer: Providing clear, rewarding paths for people to build lifelong careers at NBU.
- Aligning Staff with Business Needs: Ensuring we have the right number of people in the right roles to meet customer demands and operational priorities.

4. Modernize Operations Through Technology (Goal):

- Modernize Infrastructure: Upgrading our technical systems to improve daily operations, reliability, and scale.
- Change Management: Supporting and training our employees so new technology is adopted successfully.
- Platform Optimization: Automating processes and using data to make better decisions and improve the customer experience.
- Security: Guarding our utility systems, data, and daily operations from cyber threats.

NBU staff requests that the Board of Trustees approve this Strategic Plan Framework, Goals, and Focus Areas. Once approved, the NBU team will use this framework to determine the focus areas for FY 28 & FY 29; to guide budgets, future leading and lagging indicators, and project priorities.

FINANCIAL IMPACT

There is no immediate financial impact associated with approval of this framework. As specific projects, technology upgrades, or construction plans are developed and identified to support these goals, related costs will be incorporated into future annual budgets.

LINK TO STRATEGIC PLAN

Customers and Community

People and Culture

Infrastructure and Technology

Financial Excellence

Safety and Security

Stewardship

EXHIBITS

1. Proposed Fiscal Year 2028 Through Fiscal Year 2038 Strategic Plan Framework, Goals, and Focus Areas presentation