
Meeting Date: September 17, 2024
Staff Contact: Marta Ortiz, Chief Financial Officer

TITLE: C-25-23 – FY2025 4th Quarter Financial Report

ACTION: Recommend Approval

SUMMARY:

The financial report for the quarter ending June 30, 2025, has been submitted to the Board for review and informational purposes. This document provides a comprehensive year-end financial overview, comparing actual expenditures against the approved FY2025 budget. The analysis incorporates verified financial data, current economic trends, and historical performance benchmarks to offer a well-informed projection of the Water Authority's fiscal standing.

Please note that all figures presented in this report are **unaudited** and may be subject to revision upon completion of the formal audit process.

Key Highlights:

- **Budget vs. Actuals Comparison:**
A detailed breakdown of expenditures through June 30, 2025, is presented alongside the original FY2025 budget allocations. This comparison identifies variances, underspending, and areas of over-expenditure, providing valuable insight into operational efficiency and financial discipline.
- **Forecasting and Trends:**
Projections for year-end performance are based on actual financial activity, emerging trends, and historical data. These forecasts help inform strategic planning and resource allocation for the upcoming fiscal year.
- **Investment Portfolio Review:**
The report includes an updated analysis of Water Authority Investments, highlighting portfolio performance, risk exposure, and alignment with long-term financial objectives.
- **Performance Plan Scorecard:**
Key metrics from the FY2025 Budget Performance Plan Scorecard are summarized, highlighting progress toward strategic goals, including sustainability initiatives, infrastructure improvements, and customer service benchmarks.
- **FY2025 One-Year Objectives Results:**
The report evaluates the completion status of the Water Authority's one-year objectives for FY2025. It highlights achievements in priority areas such as capital project delivery, operational efficiency, and workforce development, while

identifying objectives that require continued focus or adjustment moving into FY2026.

This report serves as a vital tool for assessing the Water Authority's financial health and operational effectiveness at the close of FY2025. It supports transparency, accountability, and informed decision-making by the Board and senior leadership.

For a full breakdown of financial data, investment performance, and scorecard metrics, please refer to the attached report.

Albuquerque Bernalillo County Water Utility Authority

Albuquerque, New Mexico

Quarterly Financial Report For the month ending June 30, 2025



Note: The Quarterly Financial Report is prepared each quarter and is utilized to analyze and assess the current financial condition of the Albuquerque Bernalillo County Water Utility Authority's (Water Authority) General Fund, Debt Service Fund, San Juan-Chama Project Contractors Association Fund (SJCPCA), and Capital Funds. The information found in this report is drawn from the Water Authority's general ledger as of the last day of each month, and occasional variances may occur. This report should be used for informational purposes only.

Introduction

This report provides an overview of the Water Authority's financial condition through the twelfth month of the fiscal year. The year-to-date (YTD) spans between [July 1, 2024](#), through [June 30, 2025](#). This report includes budget to actual comparisons in the General Fund (by revenue/expense category and department/division), the Debt Service Fund, the SJCPCA Fund, the Capital Funds, and overall financial performance.

Please note that all figures presented in this report are **unaudited** and may be subject to revision upon completion of the formal audit process.

The report was prepared by the Business/Financial Services Division in collaboration with departmental staff across the Water Authority and will be reviewed and approved by the State of New Mexico Department of Finance and Administration (DFA) Local Government Division.

Contents

Introduction	1
General Fund Revenue Highlights.....	3
Rate Revenue	4
Miscellaneous Revenue	5
Water Consumption Usage	6
General Fund Expense Highlights	8
Personnel Expense	8
Other Operating Expense (O&M)	9
Power and Chemicals Expense.....	9
Transfers to Other Funds	9
Budget to Actual Variances	11
General Fund Divisions/Departments.....	11
Working Capital Balance (Fund Balance)	12
Reserve Amounts	13
Days Cash on Hand.....	13
Other Funds Highlights	14
Debt Service Fund	14
San Juan-Chama Project Contractors Association Fund	16
Capital Funds.....	16
Transfer of Funds and Expenditure Authority within Budget.....	20
Cash and Investment Highlights.....	22
Performance Plan Highlights.....	25
Quarterly Performance Indicator Scorecard.....	25
Goals and FY25 Objectives	27

General Fund Revenue Highlights

The Water Utility Authority closed FY2025 with total revenues of \$279.4 million, exceeding the adopted budget of \$260.9 million by \$18.5 million — a performance rate of 107.1%. This strong fiscal outcome reflects effective rate policy, stable service demand, and favorable market conditions. Notably, year-end revenue accruals contributed \$16.1 million, significantly boosting the final revenue total.

Key Takeaways:

- The 12% rate adjustment was instrumental in exceeding revenue targets.
- Interest income and miscellaneous sources outperformed expectations, offering flexibility for future capital planning.
- Connection fees remain below target, suggesting a need to reassess development forecasts for fee structures.
- Overall, the Water Authority enters FY2026 with a strong financial foundation and opportunities for reinvestment.

Next Steps:

- Finance staff will evaluate connection fee structure and development forecasts.
- Reinforce investment strategies to sustain interest income.
- Continue monitoring rate impacts and consumption patterns.
- Prepare FY2026 midyear budget alignment and capital planning.

Supporting tables and charts provide a comprehensive view of water, wastewater, and miscellaneous revenues, detailing monthly, quarterly, and year-to-date (YTD) performance, including year-end accruals.

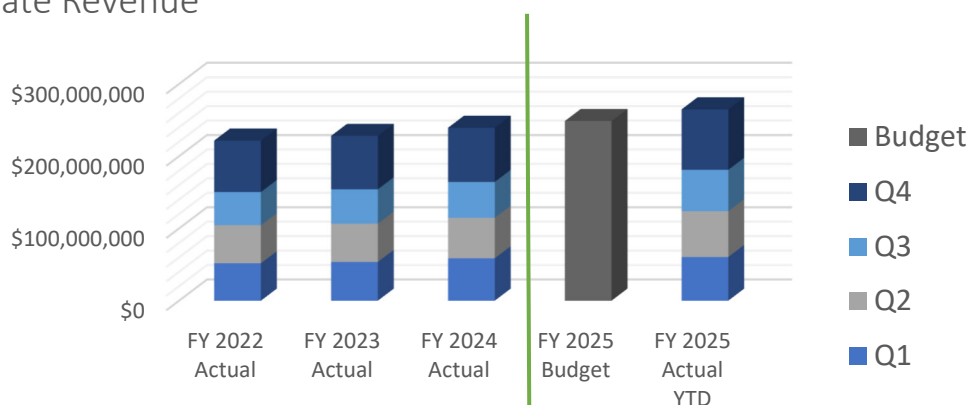
Revenue Type	FY 2025 Adopted Budget	1st Qtr	2nd Qtr	3rd Qtr	Apr-25	May-25	Jun-25	FY 2025 Total YTD	% YTD
Water Service	\$ 105,910,000	\$ 23,390,309	\$ 28,017,956	\$ 23,505,678	\$ 8,884,640	\$ 10,488,790	\$ 27,443,348	\$ 121,730,721	114.9%
Water Facilities Rehab	44,782,000	11,884,016	10,440,000	9,506,037	3,440,338	3,721,972	3,824,567	42,816,931	95.6%
Wastewater Service	51,143,000	13,180,534	13,093,244	12,720,912	4,538,257	4,603,739	4,587,925	52,724,610	103.1%
Wastewater Facilities Rehab	41,982,000	10,440,902	10,803,017	10,731,802	3,641,122	3,651,238	3,636,949	42,905,031	102.2%
Connections	375,000	73,845	42,512	39,490	25,622	13,949	28,131	223,549	59.6%
Water Resources Management	4,500,000	1,496,194	1,010,195	754,346	324,915	401,880	440,051	4,427,581	98.4%
SW Admin Fee	1,836,000	306,000	459,000	459,000	-	306,000	306,000	1,836,000	100.0%
DMD Admin Fee	379,000	63,180	94,770	94,770	-	63,180	63,180	379,079	100.0%
Interest	7,000,000	2,332,522	2,013,063	1,579,408	1,108,499	270,820	1,367,181	8,671,492	123.9%
Miscellaneous	3,000,000	1,603,932	877,254	1,085,034	128,642	390,295	(357,768)	3,727,390	124.2%
Grand Total:	\$ 260,907,000	\$ 64,771,434	\$ 66,851,011	\$ 60,476,476	\$ 22,092,035	\$ 23,911,864	\$ 41,339,565	\$ 279,442,384	107.1%

Rate Revenue

Rate revenue is the largest revenue category in the General Fund, representing approximately 98.0% of the total. Water and Sewer rates are for the sale of water and collection and disposal of sewage as defined in the Water Authority Rate Ordinance. Revenue budget amounts are derived with the expectation of very limited growth in the service area for the next several years coupled with moving towards the Water Authority GPCD goal of 110 by 2037.

The chart below illustrates revenue performance across the past four fiscal years, highlighting consistent year-over-year growth. In FY2025, total revenues reached \$264.8 million, marking an increase of \$25.4 million compared to FY2024. This notable uplift is primarily attributed to the rate adjustment, along with contributions from other revenue sources.

Rate Revenue



Water Authority charges include:

- **Water-Fixed Monthly Charge:** This fee recovers costs associated with providing “fixed costs” of service associated with providing capital facilities (pump stations, reservoirs, transmission lines, wells, etc.). Fixed costs occur whether or not any water is used.
- **Water-Commodity Charge:** This charge represents the “unit costs” of pumping, treating, and delivering the commodity (water) itself.
- **Water-State Surcharge:** This tax is a pass-through cost from the state, through the Water Authority, and to the customer for funding the State’s water quality testing.
- **Sewer-Fixed Monthly Charge:** This fee recovers costs associated with providing “fixed costs” of service such as sewage lift stations, odor control stations, large diameter interceptor lines, etc. Fixed costs occur whether or not any wastewater flows into the sewer system.
- **Sewer-Commodity Charge:** This charge represents the “unit costs” of collecting, treating, and disposing of wastewater.
- **Facility Rehabilitation Charge:** This fee funds the repair or replacement of aging water and sewer lines.

Miscellaneous Revenue

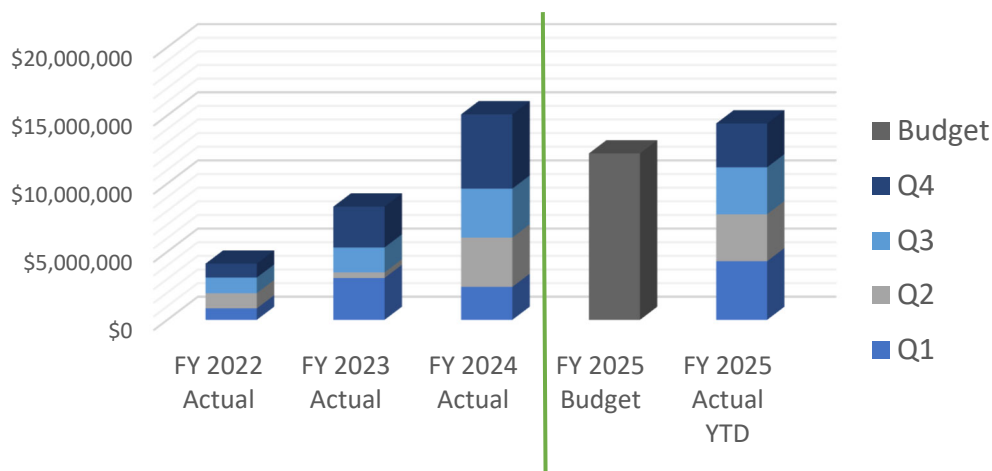
Miscellaneous revenue accounted for 2.0% of total revenue at fiscal year-end. This category includes interest income, administrative fees from the City of Albuquerque related to Solid Waste (SW) and the Department of Municipal Development (DMD), lease and rental income, and compost sales.

The Water Authority concluded the fiscal year with miscellaneous revenue totaling \$14.6 million, exceeding the adopted budget projection of \$12.2 million. While investment earnings remained robust, they fell short of the FY2024 level by \$1.5 million.

The chart below illustrates the following key insights:

- FY2024 saw a significant spike in miscellaneous revenue, reaching over \$15 million.
- FY2025 budgeted slightly lower at \$14.4 million, but actual YTD performance is lower by approximately \$670K.
- Q1 FY2025 started strong, but Q4 saw a sharp shortfall of over \$2.2 million compared to budget.

Miscellaneous Revenue



Water Consumption Usage

As of June, there are **218,703** active utility accounts currently being billed for water services. Of these, **214,086** accounts are equipped with meters classified by service sizes ranging from size 1 to size 8, allowing for precise tracking of customer usage across all service levels.

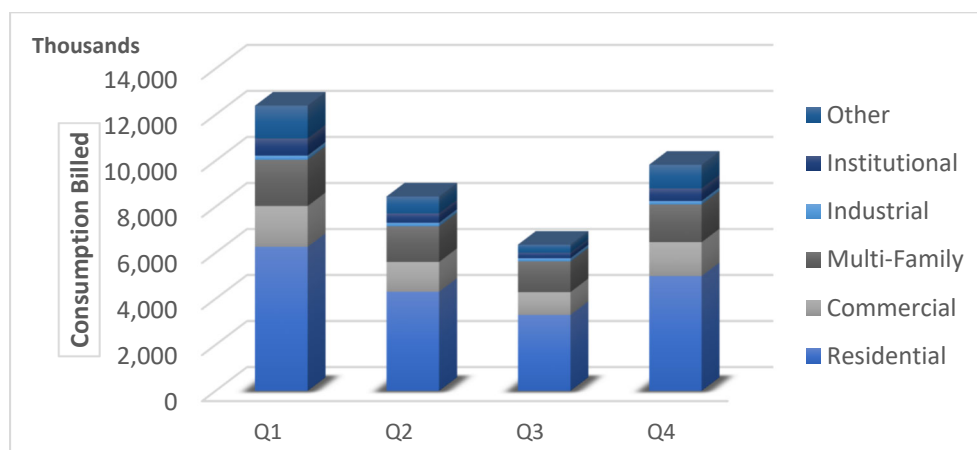
Water consumption is billed in arrears, meaning customers are charged the following month for the water used during the previous month. This approach ensures accurate metering and billing based on actual usage.

In this context, consumption refers to the volume of water that is withdrawn from the supply system and not returned to its original source—such as groundwater or surface water. This water becomes unavailable for reuse, often due to household, commercial, or industrial use that results in loss through evaporation, incorporation into products, or disposal.

The total water consumed across all customer classes—residential, commercial, industrial, and others—has reached **27.7 billion** gallons during the reporting period, reflecting notable shifts in usage patterns. This figure reflects the total metered usage and represents a comprehensive overview of service area-wide water demand.

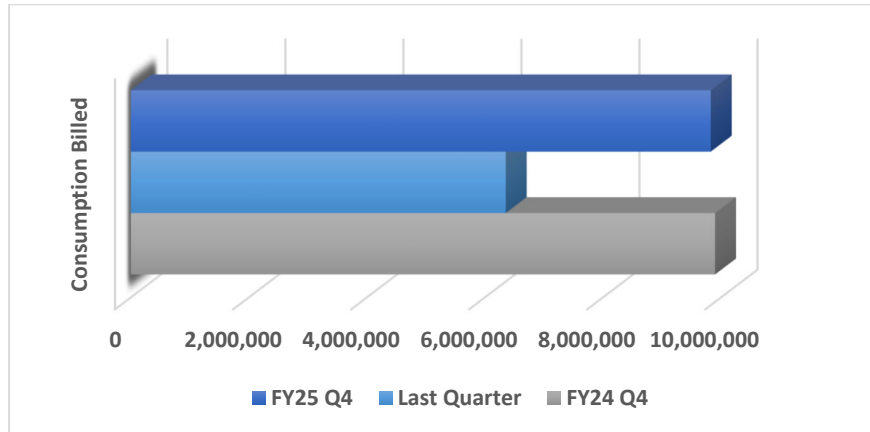
The chart and graphs below illustrate the consumption units (usage) across all customer classes.

FY 2025					
Customer Class	Q1	Q2	Q3	Q4	Total
Residential	6,259,804	4,308,735	3,300,083	4,990,740	18,859,362
Commercial	1,770,592	1,295,329	992,448	1,469,517	5,527,886
Industrial	182,156	148,866	129,926	149,238	610,186
Institutional	746,614	411,837	242,754	544,555	1,945,760
Multi-Family	2,010,251	1,550,427	1,336,178	1,642,550	6,539,406
Other	1,423,654	731,616	353,201	1,030,949	3,539,420
Total	12,393,071	8,446,810	6,354,590	9,827,549	37,022,020



Consumption comparisons to the same quarter in the previous fiscal year, this represents a 0.7% decrease, indicating a slight reduction in overall demand. However, when compared to the previous quarter (FY25 Q3), consumption saw a significant 24.8% increase, suggesting heightened water usage potentially influenced by seasonal factors or increased outdoor water activity during warmer months. Such fluctuations highlight the need for proactive approaches in developing efficient conservation measures and optimizing resource allocation.

The chart below shows the consumption billed comparisons.



General Fund Expense Highlights

Total expenditures from the General Fund for the Q4 concluded at **96.3%**, falling below the anticipated 100% benchmark for this point in Fiscal Year 2025. This underspending reflects strategic fiscal oversight and include fiscal year end accruals.

Recognizing the importance of fiscal stability, the Water Authority has adopted a proactive approach to expense management. To ease financial pressures, it continues to implement cost-control measures, including the freezing of non-essential positions. By carefully evaluating staffing needs, the Water Authority ensures that critical operations remain efficient while reducing overhead.

Out-of-state travel continued to be restricted to prioritize necessary expenditures and redirect funds toward essential services. This helps maintain a strong financial position by focusing resources on functions that directly support operational effectiveness and service delivery.

Continued ongoing expense monitoring played a vital role in sustaining financial discipline. Through diligent tracking and regular review, the Water Authority ensures that essential services and infrastructure repairs continue uninterrupted protecting both service quality and system integrity for the community.

The table below illustrates the year-to-date expense activity.

Expense Type	FY 2025 Adopted Budget	1st Qtr	2nd Qtr	3rd Qtr	Apr-25	May-25	Jun-25	FY 2025 Total YTD	% YTD
Wages & Benefits	\$ 71,344,422	\$ 15,025,354	\$ 17,821,264	\$ 15,177,668	\$ 5,119,247	\$ 7,655,361	\$ 5,962,402	\$ 66,761,296	93.6%
Wages Overtime	2,201,300	581,480	813,528	741,589	163,616	250,761	164,398	2,715,374	123.4%
Power	16,296,000	3,108,044	3,758,524	2,725,882	1,135,976	730,432	2,132,980	13,591,838	83.4%
Chemicals	15,660,000	1,280,647	2,137,049	3,043,882	802,769	704,315	1,865,711	9,834,373	62.8%
Other Operating Expenses	46,655,278	12,436,071	12,536,996	11,589,209	4,190,910	3,213,368	6,195,740	50,162,293	107.5%
Transfers to Other Funds	95,784,000	54,096,000	13,896,000	13,896,000	4,632,000	4,632,000	4,632,000	95,784,000	100.0%
Grand Total	\$ 247,941,000	\$ 86,527,597	\$ 50,963,361	\$ 47,174,231	\$ 16,044,518	\$ 17,186,237	\$ 20,953,231	\$ 238,849,174	96.3%

Personnel Expense

Wages and Benefits expenditures through Q4 totaled approximately **93.6%** of the fiscal year budget. This slight underspending provided a degree of flexibility, primarily due to Water Authority-wide vacancies.

However, overtime costs reached **123.4%**, significantly exceeding budget expectations. This overage likely reflects operational challenges related to an increase in after-hours emergency response needs.

The vacancy rate for Q4 was **5.0%**, outperforming the FY2025 target of 7.0%. This improvement is primarily attributed to the implementation of UKG Ready position reporting, which enables more accurate tracking of full-time equivalent (FTE) counts.

As of June 2025, total personnel expenses amounted to \$69,476,671, broken down as follows:

- Wages: \$45,633,786
- Other Fringe Benefits: \$21,127,510
- Overtime: \$2,715,374

Other Operating Expense (O&M)

Overall operations and maintenance (O&M) costs have exceeded initial estimates, reaching 107.5% of the projected budget. This increase is primarily driven by rising contract services expenses and higher-than-anticipated cost for maintenance and repair supplies. As demand for upkeep and service agreements grows, the Water Authority has had to allocate additional resources to ensure operational continuity and efficiency.

A notable impact on rising expenditures comes from repairs and maintenance costs. Several factors contribute to this increase, including escalating repair costs and subscription expenses associated with critical information technology infrastructure. These IT-related expenses reflect the Water Authority's commitment to maintaining cybersecurity, system reliability, and software functionality, all of which are key components for seamless operations.

To accommodate these financial shifts, a mid-year budget amendment was approved by the Board in February 2025. This adjustment was necessary to reallocate funds and ensure that essential services and repairs continued without disruption. By proactively addressing these expenditure increases, the Water Authority aims to maintain fiscal stability while meeting ongoing operational needs.

Power and Chemicals Expense

Power and chemical inputs are critical to the effective operation and ongoing maintenance of essential water infrastructure, including the San Juan-Chama Water Treatment Plant (SJCWTP), groundwater pumping systems, and the Southside Water Reclamation Plant (SWRP). These resources are foundational to water treatment, distribution, and reclamation—rendering them indispensable to the overall functionality of these facilities.

Despite rising chemical costs, year-end expenses are only 73.1% of the anticipated benchmark, reflecting substantial cost savings and efficient resource management.

However, starting in July 2025, energy consumption costs will increase by 11%, followed by an additional 10% hike in April 2026. These changes highlight the need for proactive planning and budgeting to maintain operational resilience.

Transfers to Other Funds

The Water Authority structures its financial planning to accommodate significant debt obligations, with a substantial portion of payments – both annual principal and semi-interest – falling due in July. This results in a concentration of expenditures early in the fiscal year, with approximately \$75,000,000 allocated within the first quarter to meet these commitments. Given this front-loaded financial structure, strategic fund transfers play a crucial role in maintaining fiscal stability and ensuring ongoing investments in essential structure.

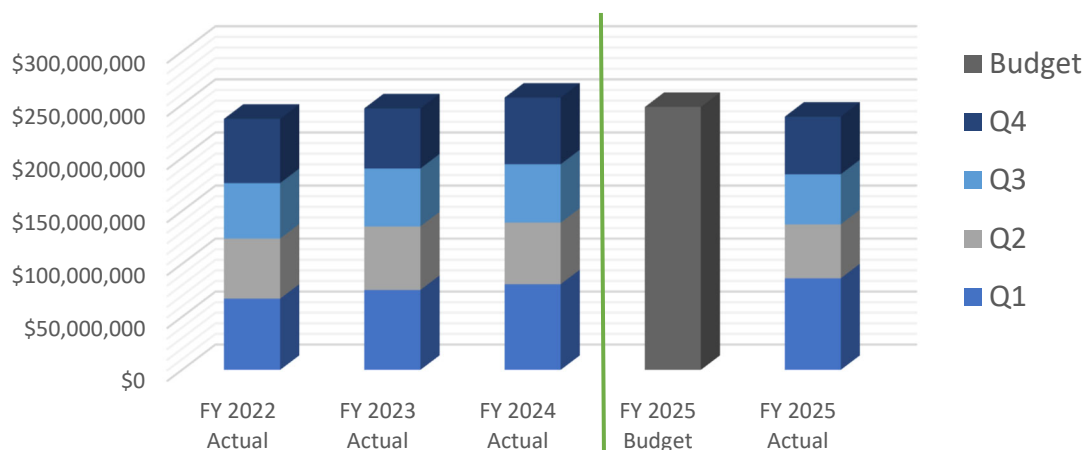
Under current financial policy, transfers are allocated to support both operational and long-term capital investment initiatives. One key allocation is directed toward the Capital Improvement Program (CIP) basic rehab program, which receives funding of \$19,382,000. These funds are instrumental in sustaining

infrastructure development, upgrading water treatment facilities, and ensuring the reliability of the water supply system. Additionally, financial transfers are made to the Water 2120 projects, with an allocation of \$1,402,000. These projects focus on forward-looking improvements designed to enhance sustainability, increase capacity, and support future demand.

By strategically managing these financial transfers, the Water Authority ensures that debt obligations are met without compromising its ability to invest in critical water system enhancements. This approach helps balance immediate financial responsibilities with long-term infrastructure needs, fostering a sustainable and resilient water management strategy.

The graph illustrates that expenses have increased by 32.27% over the past three years through Q4 annually yet remain \$17.9 million lower compared to FY2024—excluding year-end accruals.

General Fund Expense



The year-end General Fund expense budget by Divisions / Departments are illustrated on the next page.

Budget to Actual Variances

General Fund Divisions/Departments

	Personnel			Overtime			O&M Expenses & Transfers		
	YTD Actual	FY 2025 Adopted Budget	% Budget	YTD Actual	FY 2025 Adopted Budget	% Budget	YTD Actual	FY 2025 Adopted Budget	% Budget
Administration	\$ 1,174,445	\$ 1,202,815	97.6%	\$ 55	\$ 500	11.0%	\$ 796,203	\$ 792,675	100.4%
Risk	652,679	674,279	96.8%	5,517	1,000	551.7%	6,477,623	6,249,713	103.6%
Legal	238,380	233,700	102.0%	-	-	0.0%	728,551	754,292	96.6%
Human Resources	1,806,343	1,809,013	99.9%	200	500	40.1%	133,928	196,479	68.2%
Information Technology	5,989,018	6,001,908	99.8%	31,282	20,000	156.4%	9,189,380	6,959,084	132.0%
Finance	2,855,648	2,830,479	100.9%	45,450	36,000	126.3%	2,648,661	1,843,582	143.7%
Customer Service	3,305,507	3,780,245	87.4%	199,826	81,000	246.7%	1,930,462	1,796,915	107.4%
Asset Management	689,906	767,600	89.9%	-	-	0.0%	17,305	36,392	47.6%
Wastewater Plant	8,426,145	9,287,296	90.7%	679,614	580,000	117.2%	2,478,319	2,548,704	97.2%
SJC Water Treatment Plant	3,637,873	3,831,400	94.9%	193,458	200,000	96.7%	786,053	865,600	90.8%
Groundwater System	5,936,448	6,189,761	95.9%	227,414	255,000	89.2%	1,260,632	1,288,239	97.9%
Wastewater Collection	5,971,432	6,495,088	91.9%	266,887	145,000	184.1%	1,819,501	1,432,912	127.0%
Water Field Operations	13,768,512	13,749,826	100.1%	948,618	780,000	121.6%	6,760,396	7,481,174	90.4%
Compliance	5,198,413	5,659,033	91.9%	44,246	29,300	151.0%	2,127,636	1,189,667	178.8%
Fleet & Facility Maintenance	1,455,770	1,835,063	79.3%	69,350	71,000	97.7%	4,905,274	4,773,937	102.8%
Central Engineering	3,240,393	3,986,700	81.3%	1,072	-	0.0%	92,049	52,650	174.8%
Planning & Utility Development	696,776	986,047	70.7%	-	-	0.0%	205,807	86,945	236.7%
Water Resources	1,186,012	1,534,169	77.3%	729	2,000	36.4%	2,943,979	3,591,506	82.0%
Power & Chemicals	-	-	0.0%	-	-	0.0%	23,426,210	31,956,000	73.3%
Taxes	-	-	0.0%	-	-	0.0%	871,170	740,000	117.7%
Overhead	531,596	490,000	108.5%	1,657	-	0.0%	1,212,523	1,365,812	88.8%
San Juan Chama	-	-	0.0%	-	-	0.0%	2,776,842	2,609,000	106.4%
Transfers to Other Funds	-	-	0.0%	-	-	0.0%	95,784,000	95,784,000	100.0%
Total	\$ 66,761,296	\$ 71,344,422	93.6%	\$ 2,715,374	\$ 2,201,300	123.4%	\$ 169,372,504	\$ 174,395,278	97.1%

Working Capital Balance (Fund Balance)

The General Fund Working Capital Balance (commonly referred to as the Fund Balance) opened FY2025 at \$23.1 million, reflecting the lingering impact of prior years' revenue constraints and escalating operating costs. In response to these pressures—and in pursuit of long-term fiscal stability—the Board approved a rate adjustment during its June 2024 meeting. This adjustment aimed to address inflationary trends, rising service demands, and the need for infrastructure renewal.

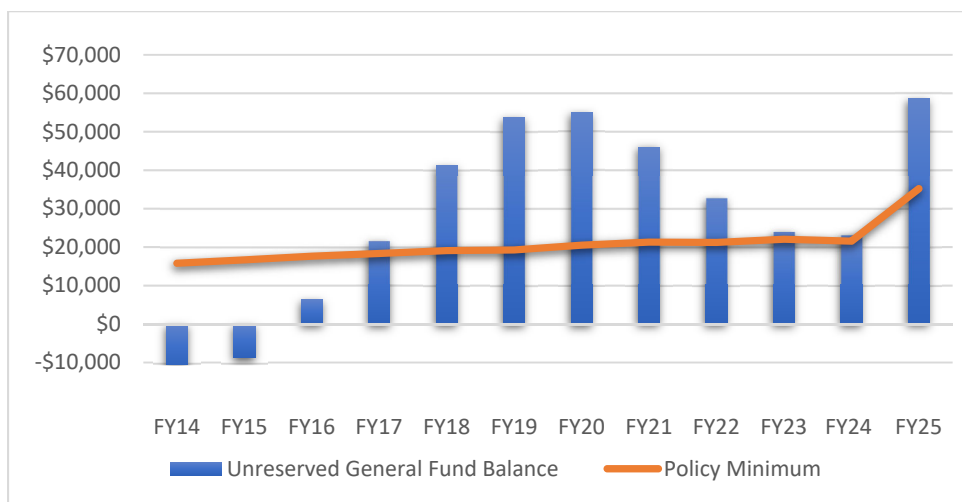
Beyond stabilizing revenues, the rate adjustment was strategically designed to rebuild reserve levels, which had gradually declined in recent years. With more predictable income streams and improved cost recovery mechanisms in place, the fund's year-end balance was initially projected at \$35.2 million—a meaningful improvement.

However, the actual FY2025 closing balance far exceeded expectations, surging to \$58.5 million. This sharp increase reflects:

- A strong and effective response to the rate adjustment.
- Improved financial stewardship.
- A reinforced reserve position that enhances the fund's resilience against future economic disruptions or emergencies.

This elevated level of working capital significantly strengthens liquidity and aligns with best practices for fund balance targets—typically recommended at two to three months of operating expenses. It also provides strategic flexibility for one-time investments or initiatives without jeopardizing ongoing operational sustainability.

The chart below illustrates target versus actual fund balances by fiscal year over the past twelve years.



Reserve Amounts

Although the final Fund Balance exceeded projections, the Water Authority continues to maintain a Rate Reserve with a funding allocation of \$9.0 million. This reserve is designated to cover unforeseen revenue shortfalls or emergency expenditures. Additional reserves include \$500,000 for risk management and \$2.1 million allocated to the Soil Amendment facility.

Holding reserves like these has several key implications—financial, operational, and strategic.

A few these include:

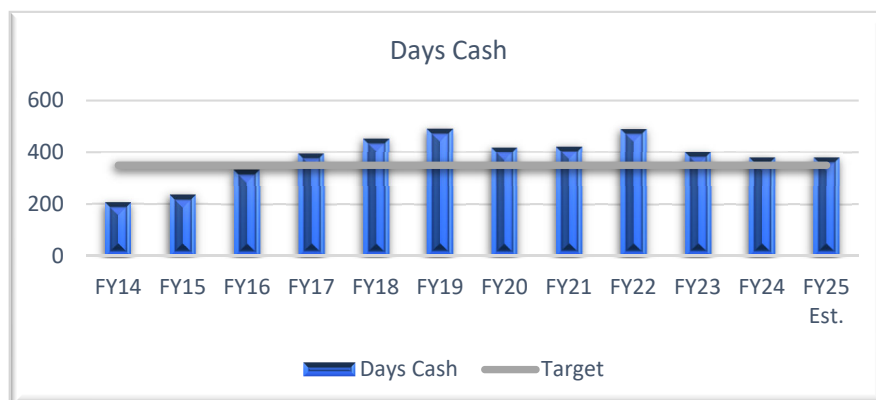
- **Cushion for Uncertainty:** Reserves act as a financial buffer during unexpected revenue declines or emergencies, reducing the risk of budget shortfalls.
- **Rate Management:** Funds like the Rate Reserve help prevent the need for abrupt rate hikes during tough times.
- **Rapid Response Capability:** Emergency expenses (e.g., infrastructure failure) can be addressed quickly without waiting for external approval or loans.
- **Risk Preparedness:** With a designated Risk Management Reserve, the Water Authority can better handle insurance gaps, legal challenges, or potential liabilities.
- **Stakeholder Confidence:** Demonstrating fiscal responsibility helps maintain trust with ratepayers, government entities, and regulatory bodies.

In essence, these reserves aren't just a safety net—they're part of the financial strategy to keep things stable, efficient, and future-ready.

Days Cash on Hand

Days cash on hand is a lifeline for financial stability. It represents the number of days the Water Authority can cover operating expenses using only cash reserves, without relying on incoming revenue. Maintaining a healthy cushion of days cash on hand is crucial for weathering unexpected disruptions like economic downturns, emergency repairs, or delays in payment.

The chart below shows the Water Authority's days cash on hand by fiscal year. The FY 2025 Q4 days cash available is estimated at 378. This calculation is subject to change pending the FY25 annual audit.



Other Funds Highlights

The Water Authority allocates additional funds to cover debt obligations, capital expenditures, and restricted accounts designated for the San Juan-Chama Project Contractors Association (SJCPCA). Presented below are the year-to-date (YTD) total revenues and expenses for each fund for fiscal year (FY) 2025.

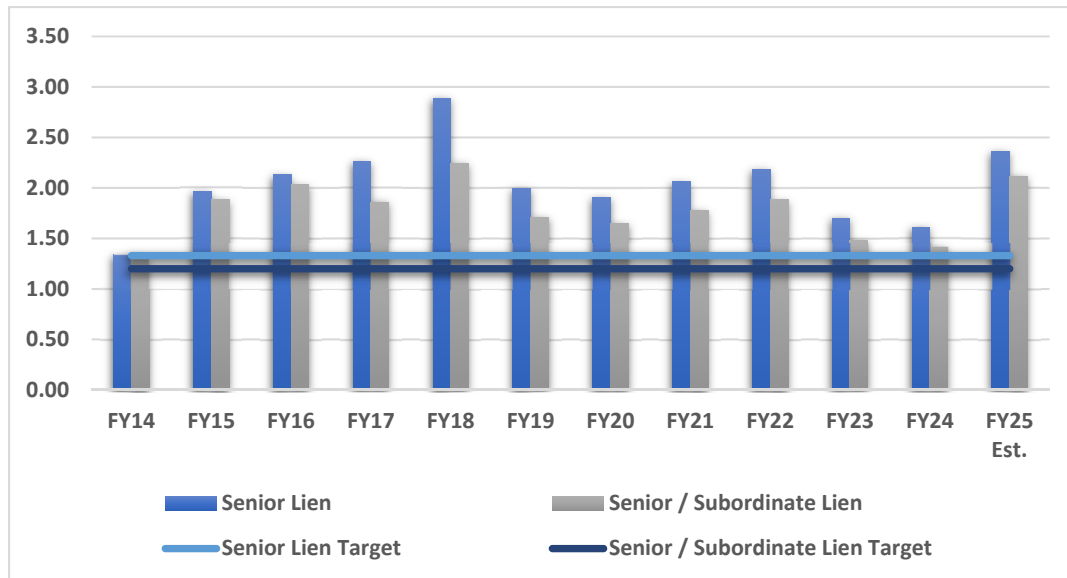
	Revenue			Expense		
	FY 2025			FY 2025		
	YTD Actual	Adopted Budget	% Budget	YTD Actual	Adopted Budget	% Budget
Debt Service Fund	\$ 82,936,648	\$ 83,640,000	99.2%	\$ 98,654,356	\$ 100,065,000	98.6%
SJCPCA Fund	39,809	39,042	102.0%	39,338	62,089	63.4%
Capital Rehab Fund	19,382,000	19,382,000	100.0%	75,272,965	172,123,067	43.7%
Capital Growth Fund	67,155,775	134,816,410	49.8%	70,094,406	142,186,231	49.3%
Capital Water 2120 Fund	2,313,878	12,427,000	18.62%	311,789	22,919,007	1.36%
Total	\$ 171,828,110	\$ 250,304,452	68.6%	\$ 244,372,853	\$ 437,355,394	55.9%

Debt Service Fund

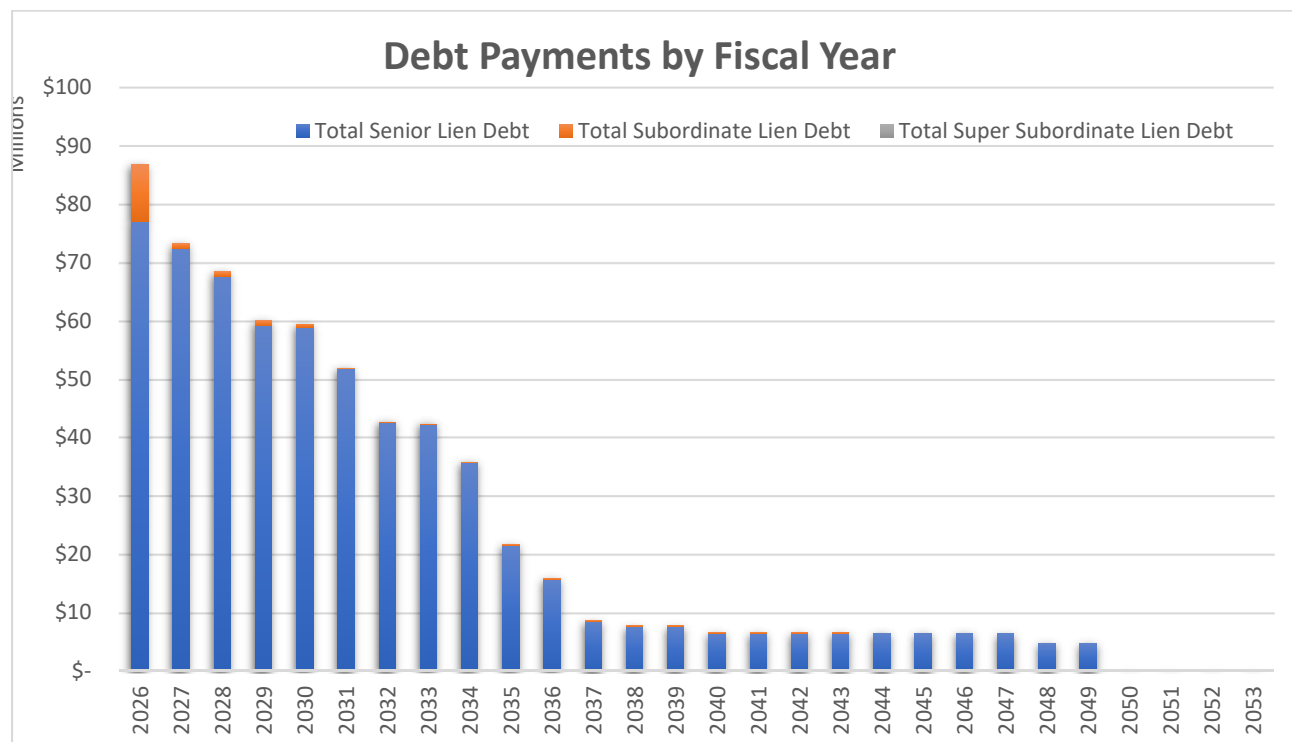
The debt service fund is used to account for the revenues, other financing sources, financing uses, and the related expenses for long-term debt. This includes accounting for bond and loan principal, interest, and other debt expenses. The majority of principal and interest payments for Water Authority debt obligations are paid in the first quarter (July 1st) of every fiscal year. Below illustrates the budget to actual variances:

	FY 2025				Apr-25	May-25	Jun-25	FY 2025 Total YTD	% YTD
	Adopted Budget	1st Qtr	2nd Qtr	3rd Qtr					
Principal	\$ 69,819,000	\$ 67,128,287	\$ 59,504	\$ 25,776	\$ 2,103,154	\$ 581,894	\$ 83,603	69,982,219	100.2%
Interest	24,046,000	902,925	67,526	11,201,207	(74,785)	35,741	10,316,907	22,449,521	93.4%
Other Debt Related Expense	200,000	9,119	32,194	121,267	30,500	31,463	(1,927)	222,616	111.3%
Transfers to Other Funds	6,000,000	1,500,000	1,500,000	1,500,000	500,000	500,000	500,000	6,000,000	100.0%
Grand Total	\$ 100,065,000	\$ 69,540,330	\$ 1,659,225	\$ 12,848,251	\$ 2,558,869	\$ 1,149,097	\$ 10,898,584	98,654,356	98.6%

The debt service coverage ratio (DSCR) is a measurement of the Water Authority's available cash flow to pay current debt obligations. Many lenders will set a minimum requirement between 1.20 and 1.25, however, the Water Authority's policy minimum is set at 1.33 for senior lien and 1.20 for senior and subordinate lien debt. The chart shows the Water Authority is at target or above the DSCR minimum requirements.



The Water Authority's current annual principal and interest debt obligations for FY 2025 total \$92.4 million. The Water Authority made an additional payoff loan amounts of \$2.1 million. With the FY25 payments being applied, the chart below illustrates the remaining required annual debt payments through FY 2053.





Albuquerque Bernalillo County
Water Utility Authority,
Fiscal Agent

PO Box 568
ABQ, NM 87103

City of Belen
Ohkay Owingeh
Town of Bernalillo
El Prado Water &
Sanitation District
Town of Taos

Village of Los Lunas
Middle Rio Grande
Conservancy District
City of Santa Fe
Village of Taos Ski Valley
Jicarilla Apache Nation

San Juan-Chama Project Contractors Association Fund

The Water Authority is the fiscal agent on behalf of the San Juan-Chama Project Contractors Association (SJCPCA) that was established in FY 2022 with supervision of the SJCPCA board. Members of the SJCPCA are assessed annually on an equitable basis not to exceed fifty (50) cents for each acre-foot of each agency's annual project water amount. There is a total of 19 members, of which, 11 are currently assessed annual dues. SJCPCA may also establish special assessments on an as needed basis by supermajority (75%) of the members.

Revenues collected for FY 2025 total \$39,809 and expenses YTD are \$39,338 or 63.36% of the total budget.

Capital Funds

The FY2025 amended Capital Improvement Program (CIP) total \$337.2 million, excluding debt, for all CIP funds. CIP costs are defined as those costing over \$5,000 with an expected useful life of at least two years. The CIP is also categorized by various facilities, infrastructure, improvements, and equipment. Multiple funding sources are utilized to provide the budget for CIPs, including from the General Fund, Debt Service Fund, miscellaneous CIP funds, loans, and grants. The table and chart illustrate the budget to actual variances for each CIP category:

	FY 2025 Adopted Budget	1st Qtr	2nd Qtr	3rd Qtr	Apr-25	May-25	Jun-25	FY 2025 Total YTD	% YTD
Sanitary Sewer Pipeline Renewal	\$ 31,508,798	\$ 1,016,091	\$ 3,105,058	\$ 2,742,999	\$ 1,407,867	\$ 2,385,014	\$ 4,809,817	\$ 15,466,846	49.1%
Drinking Water Pipeline Renewal	10,346,478	1,049,841	1,610,251	805,851	1,312,063	473,767	901,999	6,153,773	59.5%
Southside Water Reclamation Plant Renewal	23,968,989	1,204,994	2,462,501	2,582,460	458,479	1,303,112	1,526,556	9,538,103	39.8%
Soil Amendment Facility Renewal	1,020,869	152,021	8,352	10,982	3,618	-	-	174,973	17.1%
Lift Station & Vacuum Station Renewal	7,019,375	-	89,277	93,591	2,507	73,254	230,206	488,835	7.0%
Odor Control Facilities Renewal	587,220	22,749	-	97,883	-	11,181	-	131,812	22.4%
Groundwater Production & Dist. Renewal	20,890,523	880,286	1,253,167	1,720,903	761,478	419,880	1,831,324	6,867,037	32.9%
SJCWTP Renewal	35,598,958	347,076	729,853	9,569,325	2,645,644	3,551,610	4,401,232	21,244,741	59.7%
Reuse Pipeline & Plant Renewal	2,459,739	4,852	224,168	151,287	130,405	386,505	556,930	1,454,146	59.1%
Compliance	565,290	-	6,209	50,062	-	-	27,000	83,270	14.7%
Shared Renewal	12,339,706	118,051	1,207,320	1,594,997	170,154	710,717	1,831,988	5,633,226	45.7%
Franchise Fee Compliance	6,923,846	38,115	191,194	1,297,832	352,631	444,133	949,232	3,273,137	47.3%
Vehicles & Heavy Equipment	4,867,192	910,915	555,005	1,170,959	220,829	414,989	315,713	3,588,409	73.7%
Special Projects	142,806,798	5,136,629	8,716,589	12,102,985	6,560,916	5,367,959	25,996,719	63,881,798	44.7%
Growth Projects	13,405,517	470,883	1,221,497	1,155,306	587,249	605,873	3,346,455	7,387,263	55.1%
Water 2120 Projects	22,919,007	9,212	76,055	(2,499)	-	5,557	223,464	311,789	1.4%
Grand Total	\$ 337,228,305	\$ 11,361,715	\$ 21,456,496	\$ 35,144,924	\$ 14,613,840	\$ 16,153,550	\$ 46,948,635	\$ 145,679,160	43.2%

To comply with the State of New Mexico Department of Finance and Administration policy on requirements for a budget adjustment resolution (BAR), the Water Authority has adopted an administrative policy for “Capital Funds Excess/Deficit Budget Rollovers.” This policy allows for rollovers of CIP funds in excess and/or deficit from each previous fiscal year’s remaining budget.

The Water Authority records the carryover of all unobligated funds remaining at the end of the budget year to the next budget year to cover allowable costs in that budget period. This carryover does not require Water Authority Board approval. Restricted funds, grants, bond and loan proceeds, and cash transfers that are recorded in CIP funds are the only cumulative balances allowed.

The adopted budget recognizes the carryover of unobligated funds from FY 2024 in the amount of [\\$189.2 million](#) and any new or amended CIP budget resolutions approved by the Board since July 1st.

Capital Status Report

The Water Authority expended a total of [\\$145,679,160](#) through Q4 of FY 2025. Of the \$77.7 million capital spending in Q4, the highest proportion was spent on various special projects (\$48.4 million) to include: The SJCDWP Grit Basin Improvements project, the Metropolitan Detention Center Water and Sewer Improvements project, the Volcano Cliffs Arsenic Treatment Facility and Transmission Line, the SWRP Outfall Realignment project, the To’Hajiilee pipeline, Carnuel Sewage Collection system improvements, Interceptor Rehabilitation, the Winrock area Reuse system, and the South Valley Drinking Water Phase 8 and 9 project. Furthermore, approximately \$2.9 million was allocated for Development UEC reimbursements, \$2.6 million in capital funds have been allocated to SCADA Equipment Renewal, and \$1.8 million for Automated Meter Infrastructure work.

In government accounting, an encumbrance is a term used to describe a committed or reserved amount of funds that is set aside for a specific purpose. This is used to ensure that there will be sufficient cash available to pay for specific obligations. Encumbrances are used to avoid overspending. CIP outstanding encumbrances by fund at the end of Q4, were:

- Fund 27 (Water 2120) - \$3,877,678,
- Fund 28 (Rehab) - \$70,285,546, and
- Fund 29 (Growth / Special Projects) - \$59,691,928,

leaving an available budget balance of \$ 191,549,145 for current and future projects.

The following graph shows an illustration of current spending by CIP category through Q4.



Project Timeline and Cost Impacts

Timelines for virtually all CIP projects continue to extend by 3-6 months due to delays in material availability and shipping. This is an expected schedule impact that will likely extend over the next 1-2 years due to current supply chain challenges.

Regarding cost impacts, the Water Authority is seeing ongoing project cost escalations driven by:

1. The cost escalation of materials (pipe, pumps, valves, fuel, concrete, steel, etc.),
2. The Albuquerque contractor pool with a limited amount of available skilled wet utility contractors,
3. A highly competitive construction project market with lots of projects being bid by the City of Albuquerque, Bernalillo County, New Mexico Department of Transportation (NMDOT), Albuquerque Metropolitan Arroyo Flood Control Authority (AMAFCA), Sandia Labs, and others, and
4. Uncertainty regarding macroeconomic factors, possible tariffs, and potential changes to federal funding programs.

The Water Authority continues to manage these cost impacts through improving cost estimating and cost contingency evaluation, and a robust asset management approach to prioritizing projects, which creates flexibility to shift projects based on budget availability and bidder costs for specific projects.

A sample of active CIP projects that have budget authority in FY 2025 are listed as follows:

Project	Life-to-Date			Year-to-Date		Project Phase	Estimated Completion Date		Comments/Notes
	Total Budget	Total Spend*	Spend %	Total Budget	Total Spend*		As of 4Q 2025	Current	
Volcano Cliffs Arsenic Treatment and Transmission Line	\$44,941,778	\$27,892,327	62.06%	\$38,225,531	\$21,176,079	Construction	30-Jul-26	Yes	Both the arsenic treatment facility (ATF) and off-site transmission line (TL) under construction. TL construction is going through replacement of concrete collars that did not meet the specs and will start disinfection and start-up in October/November. ATF treatment vessels are installed, building is constructed. Construction of process piping and electrical elements are ongoing. Estimated completion for TL is December 2025 and completion for ATF is July 2026.
To'Hajiilee Transmission Line	20,000,050	10,618,639	53.09%	18,306,089	8,924,679	Construction	31-Mar-26	Yes	Under construction. Ongoing construction of concrete vaults, electrical work, and finalizing disinfection plan.
KAFB Tijeras Interceptor Rehab	10,426,387	10,426,387	100.00%	54,365	54,365	Construction	31-Jul-24	Yes	Project completed.
SVDWP Phase 8/9 Waterline Extension	8,000,000	6,361,624	79.52%	7,436,495	5,798,119	Construction	30-Oct-25	Yes	Ongoing construction. Work starting on additive alternative III on Powers Way.
MDC Water & Sewer Improvements	16,811,789	11,811,172	70.26%	16,133,079	11,132,461	Construction	11/31/2025	Yes	Ongoing construction of force main within MDC and electrical work at headworks. Manufacturers site visits and training scheduled for October 6th.
Carnuel Wastewater System	6,274,985	2,929,370	46.68%	5,489,245	2,396,870	Construction	30-Dec-25	Yes	Ongoing construction. Most of SAS low-pressure pipe installed, working on crossover connections. Completion targeting December 2025.
Carnuel Waterline System	2,350,000	305,404	13.00%	2,325,390	280,794	Construction	30-Nov-24	Yes	Project completed.
Bosque WRRP Reuse System	23,751,652	3,617,682	15.23%	22,369,027	2,235,056	Design	To be determined	Yes	Ongoing CMAR solicitation and interviews. Design ongoing through December 2026. Construction to start end of calendar year 2027.
SWRP Outfall Realignment	9,096,813	7,126,096	78.34%	8,246,598	6,275,880	Construction	30-Sep-25	Yes	Construction is substantially complete (by CF Padilla). Working on punchlist items. Final project completion Sept 2025.
Mesa Del Sol Reuse Reservoir & Pump Station	16,740,581	868,384	5.19%	16,115,392	243,195	Design	31-Dec-26	Yes	Ph. 1 design and EID complete by Oct 2025, bidding in Nov/Dec 2025. Construction will occur throughout 2026, with \$5.5M ARPA funds being spent first, followed by CWSRF funds.
Tijeras/Winrock Reuse System	14,505,490	5,025,768	34.65%	12,938,272	3,458,550	Design	31-Aug-26	Yes	Ongoing pipeline construction and coordination with the City for landscaping at Jerry Cline Park and traffic control on Lomas during State Fair. PER complete. Ready to bid construction documents due September 12, 2025. Solicitation for construction bids to be advertised shortly after. Construction anticipated to start Jan/Feb 2026. Funds for \$14 million received through FY25 NMFA WTB. Engineer's estimate for construction \$18M.
Arsenic Treatment Facilities (Thomas/Santa Barbara/Miles)	2,751,954	1,941,054	70.53%	2,429,346	1,618,446	Design	To be determined	Yes	

*Total Spend represents actual expenses.
Note: Year-to-date information as of June 30, 2025.

Transfer of Funds and Expenditure Authority within Budget

In the active operations of the Water Authority, the seamless transfer of funds is paramount to ensuring the effective execution of projects within the budgetary framework. This begins with the allocation phase, where the budget is carefully crafted based on projected expenditures and organizational priorities. The budget serves as a blueprint, mapping out the intended use of every dollar.

As the fiscal year unfolds, a need arises for transferring funds between various accounts or departments to accommodate unforeseen expenditures or to optimize resource allocation for a high-impact projects. The request is reviewed by the finance team, who analyze the implications of the transfer, ensuring it does not disrupt the overall balance or exceed budget limits.

The Executive Director, empowered by the annual appropriation resolution and other approved appropriations, is vested with the authority to transfer funds or adjust expenditure authority. This flexibility ensures the Water Authority's financial agility, allowing it to respond effectively to emerging needs and priorities while remaining within the overarching framework of the budget.

Within this authority, the Executive Director undertakes strategic fund transfers or reallocations between and among line-item categories. These adjustments are accurately documented to demonstrate their alignment with operating purposes and organizational goals. Actions taken by the Executive Director provide a transparent, year-to-date record of fund transfers for each financial account, ensuring accountability to the board.

By exercising this authority responsibly, the Executive Director maintains the balance between financial stewardship and operational efficiency, ensuring that the Water Authority adapts to dynamic circumstances without compromising its fiscal integrity.

The table below illustrates the authorized year-to-date (YTD) budget transfers authorized by the Executive Director:

Date	Budget Set ID	Description	Net Chg.-Amount
07/01/2024	BS000243/BE000338	COA pkg placards to Gen Govt	0.00
08/14/2024	BS000246/BE000340	J Li-Xfer Finance to CSD	0.00
08/26/2024	BS000248/BE000342	Position Change-CSD to Dispatch	0.00
07/01/2024	BS000250/BE000008	FY24 CIP Rollover Budget Adj	189,257,383.00
09/10/2024	BS000250/BE000344	Reclass Reauthorized Grant Bal	0.00
07/02/2024	BS000252/BE000345	Correct Adjustment BS000243	0.00
09/18/2024	BS000253/BE000346	Correct H2380 bud to Proj. key	0.00
09/24/2024	BS000255/BE000348	Xfer CAR from CSD to WR Conser	0.00
07/01/2024	BS000256/BE000350	FY24 CIP REV Rollover	104,229,779.00
10/15/2024	BS000260/BE000354	Balance Decade Line with Cal	0.00
07/01/2024	BS000266/BE000360	Reverse duplicate rev corr exp	8,041.00
01/08/2025	BS000267/BE000361	Xfer funds to Spec Project	0.00
12/31/2024	BS000268/BE000362	Align GF Revenue Budget/Actual	0.00
03/07/2025	BS000276/BE000376	Balance Decade Line within Cal	0.00

Date	Budget Set ID	Description	Net Chg.-Amount
03/31/2025	BS000282/BE000379	Budget Xfer to Reflect Actuals	0.00
06/27/2025	BS000288/BE000384	Balance Dec Lines with Funds	0.00
06/30/2025	BS000292/BE000390	FY25 Year End CIP Budget Adj	0.00

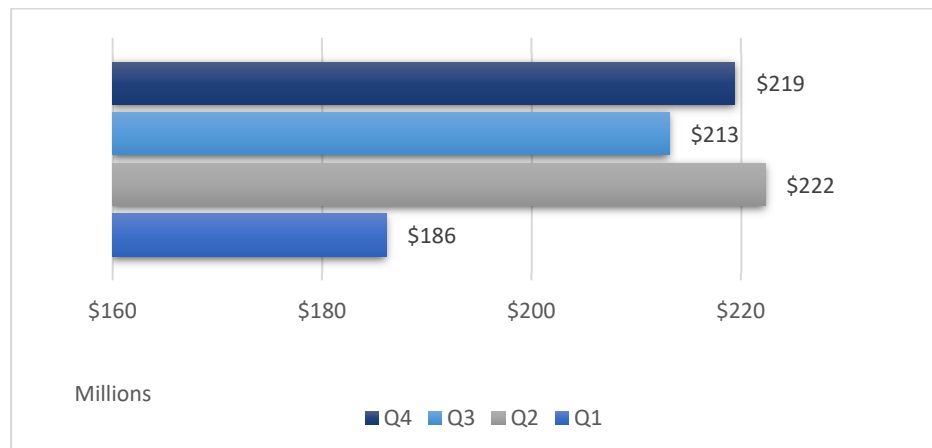
Cash and Investment Highlights

In accordance with the Investment Policy, the Water Authority is to prudently manage the investment of public money that is not immediately required for the operations of the Water Authority. Investment Policy priorities are used in making investment decisions are:

1. Safety of funds,
2. Maintenance of liquidity, and
3. Maximum of return (yield) after the first two priorities are met.

The chart below shows cash and investment balances as of June 30, 2025. Investments help offset bankcard (merchant) and bank client analysis fees which amounted to \$555K in Q4; and \$2.2 million for the entire fiscal year.

Overnight Liquid Products:	Balances as of 06/30/2025	Book Yield	Market Value
Bank of Albuquerque - 2528	\$ 835,235	0.150%	\$ 835,235
Bank of Albuquerque Sweep - 2528	2,908,910	2.350%	2,908,910
NM State Local Government Investment Pool (LGIP)	45,701,561	4.319%	45,701,561
Wells Fargo - General Fund - 0555	43,355	1.200%	43,355
Wells Fargo - P&A Flex - 7748	50,824	1.200%	50,824
Wells Fargo - Stagecoach Sweep - 0555	95,717,917	4.208%	95,717,917
Wells Fargo - Stagecoach Sweep - 7076	10,707,534	4.208%	10,707,534
Wells Fargo - Stagecoach Sweep - 8089	2,255,490	4.208%	2,255,490
Total Highly Liquid Portfolio	158,220,825		158,220,825
Investment Accounts			
US Bank - Public Trust Advisors	104,602	3.930%	104,602
US Bank - Public Trust Advisors (CIP)	61,119,368	4.150%	61,835,336
Total Investment Accounts	61,223,970		61,939,938
Total Cash and Investments	\$ 219,444,795		\$ 220,160,763



Portfolio Overview

04/01/2025 - 06/30/2025

[Return to Table of Contents](#)

Dated: 07/09/2025

Balance Sheet Summary		
	ABCWUA	ABCWUA-CIP 2021 FUNDS
Book Value	143,323.18	61,851,759.75
Accrued Balance	0.00	231,948.05
Net Unrealized Gain/Loss	0.00	-15,903.80
Market Value + Accrued	143,323.18	62,067,801.99

Footnote: 1

Net Income	ABCWUA	ABCWUA-CP 2022 FUNDS
Ending Current Units	143,323.18	62,052,703.55
Interest Income	124,181.83	166,815.81
Net Amortization/Accretion Income	363,604.98	507,488.74
Net Realized Gain/Loss	0.00	0.00
Misc Income	0.00	0.00
Expense	0.00	0.00
Net Income	487,786.62	674,304.55

Footnotes: 1,2

Index Comparison Summary

Risk Metric	Portfolio	Index	Difference
Duration	0.186	---	---
Yield	3.980	---	---
Years to Effective Maturity	0.192	---	---
Years to Final Maturity	0.192	---	---
Average Credit Rating	AAA	---	---

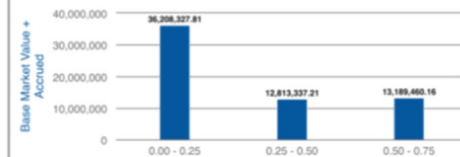
Footnote: 3

Fixed Income Holdings by Market Sector



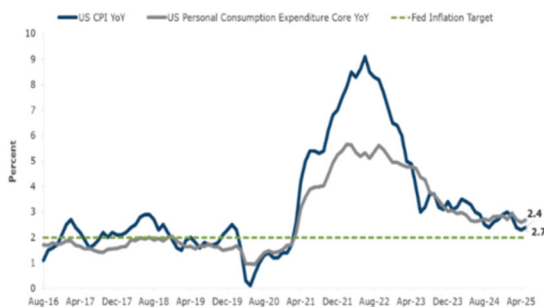
Chart calculated by: % of Book Value

Duration



Illustrated below the Public Trust Advisors (PTA) investment portfolio as of June 30, 2025, balances.

Inflation



CPI is a measure of prices paid by consumers for a basket of goods/services. PCE, the Fed's preferred measure of inflation, tracks overall price changes for goods and services for all U.S. households and nonprofits. Inflation above the Fed's 2% target may be conducive to tighter monetary policy.



Source: Bloomberg, data as of May 31, 2025 (CP)/May 31, 2025 (PCB).
Please refer to the disclosures slide for additional information.

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11

Unemployment



The unemployment rate tracks the number of unemployed persons as a percentage of the labor force (total number of employed plus unemployed). The labor force participation rate is an estimate of the economy's active workforce. Full employment alongside stable prices is one of the Fed's dual mandates regarding monetary policy.



Source: Bloomberg, data as of June 30, 2015.

Source: Bloomberg, data as of June 30, 2015
Please refer to the disclosure slide for additional information

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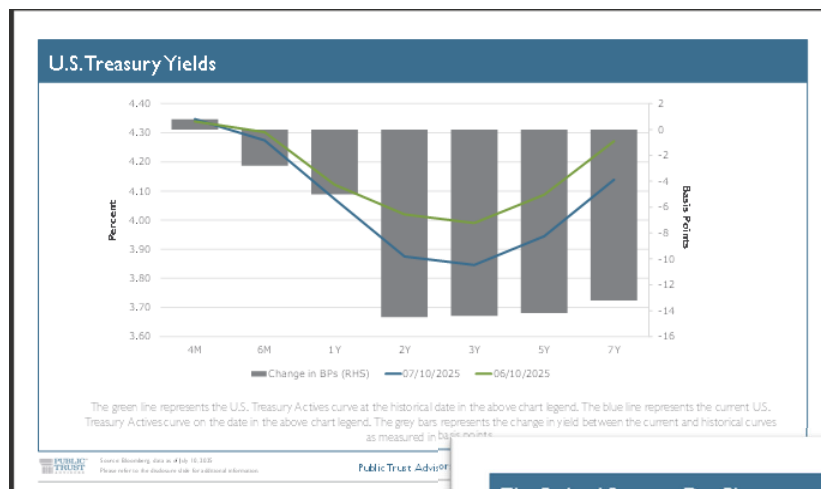
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The Federal Reserve is adjusting its monetary policy, anticipating fewer interest rate reductions for 2025. Chairman Jerome Powell asserts that current interest rates continue to significantly constrain economic activity. Meanwhile, the market remains unconvinced by the Fed's stance, as persistent inflation endures despite a resilient economy.

Regarding the Operating and CIP portfolios:

Both portfolios are currently largely liquid and have initiated the process of drawing down from the CIP fund while reimbursing the Operating fund for expenses. The Water Authority maintains ample liquidity in the LGIP, enabling reinvestment of surplus cash into both the Operating and CIP portfolios.

PTA recommends executing trades short, based on the projected cash flow strategy.



Performance Plan Highlights

The Performance Plan assesses the performance of the Water Authority using measures that are designed to help the Water Authority improve its operational efficiency and effectiveness. These performance measures help guide the operating and capital budgets in allocating the Water Authority's financial resources, thus making these budgets performance based.

Quarterly Performance Indicator Scorecard




The Scorecard Indicators are categorized by Level of Service areas which include:

- Regulatory
- Reliability
- Quality
- Customer Service
- Finance

The Scorecard Indicators are developed through benchmarking and performance assessments to identify performance gaps and to establish targets to address performance gaps. The Scorecard Indicators Targets are linked to performance benchmarking, the Goals and Objectives, Customer Opinion Survey responses, and Effective Utility Management. The purpose of this report is to provide a one-page snapshot of the utility's performance so that stakeholders can easily gauge how the utility is performing in these Level of Service areas which is consistent with the feedback received through the Customer Conversation forums on reporting preferences.

The report identifies the fiscal year-to-date performance compared to the established target. A status of each indicator is provided in three categories: target achieved, work- in-progress, or target not met. Below shows the actual and target performance for all 22 indicators.

The status of each measurement illustrates the following:

Target achieved =  Below Target =  Target not met = 



Level of Service Area	Indicator	FY25 Actual (FY to Date)	FY25 Target	Status
Regulatory	Number of Permit Excursions	11	≤ 5	
	Reported Overflows	30	< 40	
	SUO Compliance (Permitted Industrial Users)	78%	≥ 87%	
	SUO Compliance (Food Service Establishments)	83%	≥ 87%	
	SUO Compliance (Dental Offices)	98%	≥ 87%	
Reliability	Ground Water PMR	82%	≥ 65%	
	Surface Water PMR	79%	≥ 65%	
	Waste Water PMR	46%	≥ 65%	
	Water System (Miles Monitored)	2622	> 2200 miles	
	Water System (Miles Surveyed)	1092	> 650 miles	
	Water System (Leaks Found)	134	> 80	
	Water System (Water Loss Reduced)	18.1	> 75.0 MG	
	Miles of Sewer Line Cleaned	262	≥ 100 miles	
	Sewer Line Inspection Effectiveness	76	≥ 199 miles	
	Injury Time	888	< 2,500 hours	
Quality	Water Quality Complaints Rate	1.8	< 3.0	
	Biosolids to Compost	23%	> 30%	
	Renewable Energy (Bio Gas)	31%	≥ 16%	
	Renewable Energy (Solar)	9%	≥ 9%	
	Water Consumption (GW)	3.2	< 1.8 BG	
	Water Consumption (SW)	0.8	> 1.6 BG	
Customer Service	Wait Time	0.3	< 1.0 min	
	Contact Time	4.5	< 4.0 min	
	Abandoned Calls	2%	< 3%	
	First Call Resolution	82%	> 95%	
	Bill Exception Rate	7	< 8	
Finance	Rehabilitation Spending	\$73	≥ \$64 million	
	Pipe Infrastructure Emergency vs. Planned Spending	6%	≤ 50%	
	Cash Reserves	378	≥ 350 days	
	Revenue to Expenditures	118%	≥ 100%	
	Expenditures to Budget	95%	≤ 100%	

Goals and FY25 Objectives




The FY 2025 Goals and Objectives were established (R-24-5) and approved by the Water Authority Board on April 17, 2024, and are linked to the budget process, performance measurements, and is consistent with the desired conditions of the Water Authority's service area.

The Goals are as follows:










- Goal 1: Water Supply and Operations
- Goal 2: Wastewater Collection and Operations
- Goal 3: Customer Services
- Goal 4: Business Planning and Management
- Goal 5: Organization Development











The results for the FY 2025 One-Year Objectives are as follows:





Target achieved =  In Progress =  Target not met = 







Goal 1: Water Supply and Operations

Objective	Description	Target
1.1	Develop long-term strategy to restore inactive wells and build new Arsenic Treatment Plants to improve water quality and system resilience.	
1.2	Complete the FY23 assessment of widescale power outage impacts on water system operations by end of FY25 Q4. Collaborate with PNM and the Water Authority's GIS team to identify affected areas, then engage a hydraulic modeling consultant to evaluate supply limitations and outage timelines.	
1.3	Establish and implement a routine inspection program for drinking water reservoirs—aligned with best practices for steel and concrete assets and AWWA Safe Water-Distribution standards.	
1.4	Ensure consistent monitoring and reporting in the Maximo asset management system through FY25 for the following groundwater operations: swing shift SOP compliance, weekly disinfection data, and annual reservoir inspections.	
1.5	Submit annual treatment data to the Partnership for Safe Water - Treatment program for inclusion in the program's annual report of aggregated system water quality data.	
1.6	Enhance tracking and analysis of Total Organic Carbon (TOC) levels and removal efficiency at the Water Treatment Plant to improve forecasting of Disinfection By-Product (DBP) formation. Maintain quarterly reporting to evaluate seasonal TOC patterns and optimize removal strategies.	
1.7	Establish a quarterly inspection program for meter boxes on all routes upgraded with AMI devices (approx. 170,000 meters), including the creation of a GIS-based inspection form for meter crews.	
1.8	Create a comprehensive maintenance program for air release and combination air vacuum valves.	
1.9	Develop a corrosion monitoring inspection program. NACE inspector to perform inventory of all corrosion monitoring stations.	






Objective	Description	Target
1.10	Submit annual distribution data to the Partnership for Safe Water – Distribution Program.	
1.11	Improve reliability and reduce interrupted water service, inspect at least 4,000 isolation valves.	
1.12	Evaluate the current implementation of the Water 2120 strategy and initiate preparations for its 10-year update.	
1.13	Support and advocate for the Water Authority's interests on the Colorado River. Implement a MOU with Colorado River Water Users.	
1.14	Additional permitting for Aquifer Storage and Recovery (ASR) wells.	
1.15	Implement the Rivers and Aquifers Protection Plan (RAPP), the Water Authority's source water protection plan.	
1.16	Establish native water storage in Abiquiu Reservoir as approved by Congress. Coordinate the update of the United States Army Corps of Engineers (USACE) Water Control Manual and storage contract updates.	
1.17	Conduct regular water quality monitoring of the Water Authority data gap well at the Kirtland Air Force Base (KAFB) Bulk Fuels Facility jet fuel leak site.	
1.18	Reduce water consumption, convert 10% of existing irrigation accounts that are within 200 feet of reuse lines to non-potable accounts.	
1.19	Evaluate new ICI (Industrial, Commercial, Institutional) service requirements for additional water-saving policies and procedures.	
1.20	Reduce water consumption, develop automated leak notifications for customers with AMI meters.	
1.21	Develop a reuse water modeling program that maintains a centralized version of the reuse model to be utilized as the system develops.	
1.22	Complete three risk analyses utilizing the drinking water model.	
1.23	Implement a Maximo-based Leak Detection Inspection process to track manual leak detection survey work.	
1.24	Design and construct the Tijeras Advanced Water Treatment Plant (AWTP) and Tijeras Reuse Reservoir and Pump Station (RRPS) facilities at Mesa Del Sol	

Goal 2: Wastewater Collection and Operations






Objective	Description	Target
2.1	Aim to earn NACWA Peak Performance recognition for outstanding permit compliance.	
2.2	Partnership for Clean Water program for the Southside Water Reclamation Plant (SWRP) to optimize system operations and performance.	
2.3	Ensure effective chemical management and control of residual iron sludge from the Water Treatment Plant to prevent corrosion and eliminate odors in the collection system. Track and report performance metrics.	
2.4	Reduce sanitary sewer overflows (SSOs) in accordance with the Capacity, Management, Operation, and Maintenance (CMOM) Plan.	












Objective	Description	Target
2.5	Under the CMOM Program, assess and refine pilot changes to the Sub-Basin cleaning strategy—specifically focusing on adjusting cleaning frequency to improve preventative maintenance for high-risk spill areas.	
2.6	Install AMI devices in three additional vacuum station service areas to gather system performance data.	
2.7	National Pollutant Discharge Elimination System (NPDES) Pretreatment Program monitors compliance.	
2.8	Comply with EPA requirements by maintaining a comprehensive list of Industrial Users (IUs) and conducting quarterly inspections to assess permitting needs The focus for FY25 is aligned with the Mercury Minimization Plan (MMP).	
2.9	Implement the 2024 Program Objectives outlined in the MMP 2023 Implementation Status Report sent to EPA.	
2.10	Bosque Water Reclamation Plant	

Goal 3: Customer Services








Objective	Description	Target
3.1	Conduct customer focus group meetings to acquire customer input on a bill redesign.	
3.2	Implementation of the AMI project by replacing 20,000 aging water meters with smart meters to increase revenue.	
3.3	Conduct Customer Conversation meetings.	
3.4	Track and report conservation education outreach to service area customers.	
3.5	Develop an instructional video to assist customers in signing up in the self-service portal and setting alerts.	

Goal 4: Business Planning and Management

Objective	Description	Target
4.1	Interceptor Rehabilitation Project Updates	
4.2	Seek to increase renewable/green energy generation at Water Authority facilities.	
4.3	Finalize the Utility Development Guide	
4.4	Monitor progress on the strategic asset management program (SAMP).	
4.5	To improve decision making with available data transition existing Strategic Asset Management Plan (SAMP), Scorecard, Effective Utility Management (EUM) and Operations dashboards to Microsoft Power BI.	

Objective	Description	Target
4.6	Review and update the Vulnerability Assessment. Originally completed in 2018, the certification was submitted to the EPA in 2020. Mandated to be revised and submitted to the EPA every 5 years.	
4.7	Promote Culture of Security in accordance with the AWWA G430 standard, by developing policies and procedures that include strategies for internal communication and trainings on security-related topics.	
4.8	FY25 IT Security Summary, Update & Review the Comprehensive IT Security Plan - Align with NIST Cybersecurity Framework standards.	
4.9	Implementation of the SCADA System Master Program.	
4.10	Enterprise Applications – FY25 upgrades & optimization.	
4.11	Develop Lab Vantage System to maximize automation of data entry.	
4.12	Implementation of the Revised Lead and Copper rule.	
4.13	Prepare for Per-and Polyfluoroalkyl Substances (PFAS) regulation	
4.14	Evaluate the current Water Authority Budget Ordinance and Water and Wastewater Rate Ordinance.	
4.15	Update and document all financial policies and procedures in accordance with GFOA Best Practices and internal audit recommendations.	
4.16	Assess and strategize processes to help reduce fuel over-consumption to minimize the operating cost.	

Goal 5: Organization Development

Objective	Description	Target
5.1	Complete two employee wellness challenges per fiscal quarter focusing on nutrition, physical activity and weight loss, and disease and injury prevention.	
5.2	Develop an awareness program to increase employee participation in annual physicals.	
5.3	Maintain an average utility-wide vacancy rate of no greater than 7%.	
5.4	Track and measure the effectiveness of an onsite injury prevention program; mitigate workplace injuries.	
5.5	Innovation Program success stories; one per quarter.	
5.6	Create a leadership development program	
5.7	Evaluate the data for union and non-union positions. Use labor trends and market data to compare to Water Authority positions and develop compensation strategies.	

The FY 2025 Goals and Objectives detailed results of the FY 2025 Q4 progress of each objective within each goal are as follows:



Goal 1: Water Supply and Operations

Provide a reliable, safe, affordable, and sustainable water supply by transitioning to renewable supplies and minimizing long term environmental impacts on the community and natural resources while ensuring the ability of the community to grow in a responsible manner.

Objective 1.1 **Develop a long-term strategy for utilizing existing wells that are currently out of service within the water system and identify priority Arsenic Treatment plant projects for design and construction by the end of the 4th Quarter of FY25.**

Staff Assignment: Berman/Andrade/Laughlin/Kelly

Tasks		Stakeholder
<i>Task Update/Description</i>	<i>Status</i>	<i>Description & Key Info</i>
Santa Barbara ATF	In Design	100% design August 2025. FY25 WTB Readiness to Proceed to be submitted in August 2025. Bidding Sept/Oct. 2025
Miles ATF	Not Active	Design targeted in FY27
Stranded Assets Study	In Progress (Jacobs/CDM)	Waiting on IIP Update for updated Demand Forecaster data. Stranded Assets Study -completion in Q3 FY26

Objective 1.2 **Complete the assessment that began in FY23 of the impact of widescale power outages upon water system production and pumping facilities by the end of the 4th Quarter of FY25. Work directly with the Public Service Company of New Mexico (PNM) and the Water Authority's Geographical Information System (GIS) group to determine potential impact areas. Subsequently, engage the services of a hydraulic modeling consultant to perform strategic hydraulic modeling to assess resulting water supply capacity limitations and water outage timelines.**

Staff Assignment: Berman/Andrade

Task	Status
PNM-prepared map of power grid	Complete
Water system sites affected by widespread power outage	PNM preliminary identification
Meet with PNM -extent of outages, estimated power restoration time	Met with PNM Power Distribution April 15. PNM processing NDAs to share detailed information and prepare for future water system hydraulic modeling
Perform water system hydraulic modeling simulations	WUA staff – Rescheduled for Q1 & Q2 FY26

Objective 1.3 **Develop and execute a program of regular inspections of the inventory of drinking water reservoirs at a frequency consistent with good practices for steel and concrete reservoir assets and American Water Works Association (AWWA) Partnership for Safe Water-Distribution goals by the end of the 4th Quarter of FY25.**

Staff Assignment: Berman/Andrade

Task	% Complete
Inventory Inspections	100% for FY25. Next NMED required inspection is in 5 years (FY30)

Objective 1.4 **Monitor the following in the Maximo asset management system:**

- **Checklist for Groundwater Swing Shift Operators to complete the Swing Shift standard operating procedure (SOP) requirements for each site and report through the end of the 4th Quarter of FY25.**
- **Checklist for Groundwater Weekly Disinfection for operators to complete the chlorine generation equipment weekly data gathering in Maximo and report through the end of the 4th Quarter of FY25.**
- **Annual Groundwater Reservoir Exterior Inspection Program to annually document the condition of each reservoir. Report progress at the end of each quarter through the end of the 4th Quarter of FY25.**

Staff Assignment: Berman/Andrade/Daniels

Task	Status
AMPT staff-coordinate meetings with departments	AMPT and consultant (Naviam) progressing with implementation of ESRI Survey123 for mobile inspection forms.

Task	Status
Completion of inspection forms and SOPs	Internal inspection forms complete. Staff to continue developing SOPs. Auto-generation of work orders from inspections planned for FY26.

Objective 1.5 **Submit annual treatment data to the Partnership for Safe Water - Treatment program for inclusion in the program's annual report of aggregated system water quality data by the end of the 4th Quarter of FY25.**

- **Maintain turbidities for each individual filter cell and for combined filter effluent at less than 0.1 nephelometric turbidity unit (NTU) more than 95% of time in operation.**
- **Continue work on items identified from the Phase 3 Self-Assessment that are not yet considered optimized and submit a progress report to AWWA.**
- **Continue working towards the application for the Phase IV Excellence in Water Treatment Award in the Partnership for Safe Water -Treatment.**

Staff Assignment: Berman/Sanchez

Period	Percent of Time <0.1 NTU
1 st Quarter Percentage	100% Plant offline majority of Q1
2 nd Quarter Percentage	99.71% Plant offline in October
3 rd Quarter Percentage	99.92% Plant offline in March
4 th Quarter Percentage	98.6% Plant shutdown June 20
FY25 Average	99.60%

Objective 1.6 **Improve monitoring and trending of the Total Organic Carbon (TOC) concentration and removal across the Water Treatment Plant to better predict potential Disinfection By-Product (DBP) formation in the distribution system. Continue to optimize TOC removal through enhanced coagulation and biologically active filtration by reporting quarterly data to assess seasonal TOC trends and removal metrics through the 4th Quarter of FY25.**

Staff Assignment: Berman/Sanchez

Average Total Organic Carbon (TOC) in mg/L								
Sample Point	1 st Qtr Avg	2 nd Qtr Avg	3 rd Qtr Avg	Apr	May	June	4 th Qtr Avg	FY25 Avg
Source Water - IN	8.23	3.29	2.76	2.76	4.47	4.45	3.89	4.54
Finished Water - OUT	1.75	1.49	1.23	1.01	1.38	1.56	1.32	1.44
Average % Removal	78.7	55	55.5	63.4	69.1	64.9	65.8	63.75

Objective 1.7 **Develop a quarterly meter box inspection program for all meter routes that have been replaced with Automated Meter Infrastructure (AMI) devices (approximately 170,000 meters to date) by the end of the 4th Quarter of FY25. This will include developing an inspection form for meter crews in GIS.**

Staff assignment: Warren/Malouff

Task	Status	Goal per Qtr
Work with IT and consultant to create program in Clevest-IFS/MWM	Completed in Q1	
User Acceptance Testing and training for Inspections for Phase 1 (without automated work order creation)	Completed in Q2	
Meter Box Inspections	Ongoing-Field crews inspected 2,827-meter boxes in Q4	2,500
Finalize PowerBI reporting and develop a goal for inspections	Completed in Q4	

Objective 1.8 **Develop an air release valve maintenance program by the end of the 4th Quarter of FY25. Perform an initial inspection to determine the required maintenance for all air release valves or combination air vacuum valves on transmission lines, distribution lines 16-inch or larger, and well collector lines. There are 306 valves currently identified in GIS for the initial inspection.**

Staff assignment: Warren/Malouff

	Inspections	Replacement	Repair	Buried	Goal
Q1	151	2	5	6	TBD
Q2	94	1	4	3	80
Q3	64	0	0	2	80
Q4	85	6	0	0	80

Objective 1.9 **Develop a corrosion monitoring inspection program by the end of the 4th Quarter of FY25. This includes procuring the services of a National Association of Corrosion Engineers (NACE)-certified inspector to perform an inventory of all corrosion monitoring stations on San Juan Chama infrastructure, other potable, and non-potable transmission lines. There are 370 stations currently identified in GIS.**

Staff assignment: Warren/Malouff

Task	Status
Hire consultant (Corrpro)	Completed Q1
Consultant inspectors perform inventory and testing	Completed Q2
Consultant to provide draft report to WUA	Completed Q2
WUA to review and provide comments on report	Completed Q3
Consultant to finalize report and provide recommendations to WUA	Consultant is finalizing recommendations and cost estimate. This will be used for FY27 CIP planning, as needed.

Objective 1.10 **Submit annual distribution data to the Partnership for Safe Water - Distribution program for inclusion in the program's annual report of aggregated system water quality data by the end of the 4th Quarter of FY25.**

- **Continue work on items identified from the Phase 3 Self-Assessment that are not yet considered optimized and submit a progress report to AWWA.**

Staff Assignment: Warren/Malouff

Status	Goal
Finalize data and report for FY24	Q4 Submission
Work on items in the Phase 3 Self-Assessment and collect data for FY25 submission	Submit during Q1 FY26

Objective 1.11 **To improve reliability and reduce interrupted water service, inspect at least 4,000 isolation valves by the end of the 4th Quarter of FY25.**

Staff Assignment: Warren/Malouff

	Inspect/Repair	Goal	% Operational
Q1	519	1,000	84%
Q2	1,011	1,000	88%

	Inspect/Repair	Goal	% Operational
Q3	1,010	1,000	90%
Q4	1,568	1,000	81%
Total	4,108	4,000	86%

Objective 1.12 Analyze the current status of the Water Resources Management Strategy: Water 2120. Begin planning and collecting data to enable the 10-year update of Water 2120. Assemble datasets of climate data for the region utilizing the latest technology. Prepare for the update by analyzing current and future supply and demand scenarios by the end of the 4th Quarter of FY25.

Staff Assignment: Kelly/Agnew

Task	Status
Meetings with City of Santa Fe to discuss climate data being modeled-Rio Grande Basin Study	On-going
Meetings with consultants-scope and cost of updating supply/demand scenarios	Completed
Water 2120 update	Ongoing; worked with consultant to update groundwater wells and diversions in Water 2120 model; completed Chapter 1, Summary; reviewed NMISC population projections and source data.

Objective 1.13 Support and advocate for the Water Authority's interests on the Colorado River through the end of the 4th Quarter of FY25.

- Promote basin-wide collaboration and advocacy for sustainable water resources through continued leadership and support for the San Juan Chama Contractor's Association.
- Plan for and begin implementation of the Colorado River Water Users Memorandum of Understanding (MOU), which promotes municipal water conservation through conversions to drought-and climate-resilient landscaping, while maintaining vital urban landscapes and tree canopies that benefit our communities, wildlife, and the environment. Implement the MOU by decreasing Non-Functional Turf by 30%.

- **Commission meetings as well as monthly updates from the New Mexico Interstate Stream Commission (NMISC) to the San Juan-Chama contractors.**

Staff Assignment: Kelly/Agnew

Task	Status
SJCPCA Collaboration	Staff attended/supported: 3 SJCPCA leadership meetings; 2 SJCPCA membership meetings; and 3 monthly SJCP update meetings with Bureau of Reclamation. Staff also attended and supported meetings with Bureau of Reclamation staff regarding O&M costs and accounting. Staff participated in Upper Colorado River Commission annual summer meeting and work session. Staff attended three monthly SJCP update meetings with NMISC on status of Colorado River, including Post-2026 EIS and negotiations. Staff drafted OpEd submissions on the impacts of hydrologic shortages on SJCP surface water users.
Colorado River MOU	Staff presented NFT roadmap to TCAC and have met with CABQ to discuss pilot projects.
Review and comment on Post-2026 Environmental Impact Statement (EIS) and proposed alternatives.	No new documents were available during Q4 FY25. Staff participated in meetings with NMISC and UCRC to receive updates on the status of Post-2026 negotiations and anticipate draft EIS by December 31, 2025.
MOU Implementation	NFT pilot projects are currently being sought utilizing agency partners.

Objective 1.14 Work with the New Mexico Environment Department (NMED) and Office of the State Engineer to begin aquifer storage and recovery (ASR) permitting by the end of the 4th Quarter of FY25.

Staff Assignment: Kelly/Agnew

Task	Status
Permit modification application for DWTP Large-Scale Recharge project	In process with NMED
Additional permitting	Water Authority staff are reviewing the 30% design drawings and permitting with NMOSE will be initiated with the updated

Task	Status
	design set and technical memorandum in Q1 FY26.

Objective 1.15 Implement the Rivers and Aquifers Protection Plan (RAPP), the Water Authority's source water protection plan, through the following actions:

- i. Complete an update of locations and/or plume extent at known groundwater contamination sites within the Service Area by the 2nd Quarter of FY25; map the update to include updated data from sites in the 2018 groundwater contamination site map and newly established sites by the NMED;
- ii. Track and review site data and documents for priority groundwater contamination sites through the end of the 4th Quarter of FY25;
- iii. Collaborate and coordinate with other agencies, including support of the Water Protection Advisory Board (WPAB) through the end of the 4th Quarter of FY25.

Staff Assignment: Kelly/ Agnew

Task	Status
Update locations and update map	Complete
Priority groundwater contamination sites	Staff supported briefings to congressional delegation staff on the status of the Bulk Fuels project.
	The installation of the Water Authority source water protection well is complete, and the first sample has been collected. Supplemental groundwater modeling has also been completed.
Collaboration/coordination	Staff supported and attended 11 WPAB meetings in FY25 (2 in Q4).
	Staff attended 6 public meetings for groundwater priority contamination sites (2 in Q4) as well as co-presented with NMED to Radioactive and Hazardous Materials Interim Committee.

Objective 1.16 To establish native water storage in Abiquiu Reservoir as approved by Congress, coordinate the update of the United States Army Corps of Engineers (USACE) Water Control Manual and storage contract updates

through the 2nd Quarter of FY25. Continue towards permitting and environmental approvals for Abiquiu Reservoir through the 4th Quarter of FY25.

Staff Assignment: Kelly/Agnew

Task	Status
Permit application	Staff provided an updated and final technical memo to NMOSE and NMISC on the availability of water in support of the permit application.
Draft storage agreement	Staff is working on updating the five existing sub-allotment agreements into the approved template for submittal for USACE final approval and execution of the agreements.

Objective 1.17 Conduct regular water quality monitoring of the Water Authority data gap well at the Kirtland Air Force Base (KAFB) Bulk Fuels Facility jet fuel leak site through the end of FY25. Design, install and sample monitoring well(s) at the Hewlett Packard-Digital site.

Staff Assignment: Kelly/Agnew

Task	Status
Data gap well monitoring	Sampled in Dec 2024, March 2025, and June 2025

Objective 1.18 With the goal to reduce water consumption, convert 10% of existing irrigation accounts that are within 200 feet of reuse lines to non-potable accounts by the 4th Quarter of FY25.

Staff Assignment: Kelly/Arber

Task	Status	Goal
Irrigation only accounts to connect to non-potable water	On-going	10%

Objective 1.19 Evaluate new ICI (Industrial, Commercial, Institutional) service requirements for additional water-saving policies and procedures by the end of the 4th Quarter of FY25.

Staff Assignment: Kelly/Cadena

Task	Status
Evaluation of ICI requirements	Staff are researching usage data on residential developments to determine potential water saving policies. Data is being

Task	Status
	compared to the required 180 gpd/DU as stipulated in development agreements for developments outside of the Established Service Area.

Objective 1.20 With the goal to reduce water consumption, develop automated leak notifications for customers with AMI meters by the end of the 4th Quarter of FY25. Implement a 48-hour continuous usage alert for customers with AMI.

Staff Assignment: Kelly/Arber/Zamora

Task	Status
Notifications	Developed and being sent to customers with AMI meters that are enrolled in portal/online billing

Objective 1.21 Develop a reuse water modeling program that maintains a centralized version of the reuse model to be utilized as the system develops by the end of the 4th Quarter of FY25.

Staff assignment: Shurn/K. Berman

Task	Status
Puerto del Sol reuse system	Received, reviewed, validated
Winrock Reuse extension	Complete and incorporated into Master Model
Southside Reuse Study	75% complete; Reviewed initial draft report and submitted comments to the Consultant. Final Draft is anticipated Q1 FY26

Objective 1.22 Complete three risk analyses utilizing the drinking water model by the end of the 4th Quarter of FY25. Risk analysis to include pipeline failure between Simms Reservoir and the San Antonio Pressure Reducing Valves (PRV), limitations on the Lomas Reservoir due to a high point in the transmission line, and interconnection of transmission line 8E between Montgomery and Freeway Trunks.

Staff Assignment: Berman/Andrade/ K. Berman

Task	Status
Simms Reservoir/San Antonio PRV	90% complete, modeling complete. Final draft report to be submitted to Distribution and Groundwater in Q1 FY26.
Lomas Reservoir	90% complete, modeling complete. Final draft report to be submitted to Distribution and Groundwater in Q1 FY26.
8E-Montgomery/Freeway	90% complete, additional alternatives to be modeled Final Draft report submitted to Distribution and Groundwater in Q1 FY26.
1E and 3E pressure zone-Hubbell Trunk	Complete

Objective 1.23 Implement a Maximo-based Leak Detection Inspection process to track manual leak detection survey work, automate the WO process that results from leaks that are detected, and automate the back-end reporting of estimated annual water loss from leaks that are detected. This process will ultimately replace the current spreadsheet-based system that the Leak Detection group uses.

Staff Assignment: Laughlin/Matthews/R. Sanchez

Task	Status
Coordination with IT on reporting tool	Application went live 1/13/2025
Parallel testing by Leak Detection staff	Ongoing
Hydrant and Manual Leak Detection	Ongoing
Personnel and LD Program Planning	Discussing options with Executive Team

Objective 1.24 Work with City and other project stakeholders to design and construct the Tijeras Advanced Water Treatment Plant (AWTP) and Tijeras Reuse Reservoir and Pump Station (RRPS) facilities at Mesa Del Sol to support the special industrial complex, including Maxeon and other entities, through the end of FY27.

Staff Assignment: Laughlin

Tasks		Stakeholder
<i>Task Update/Description</i>	<i>Status</i>	<i>Description & Key Info</i>
AWTP	Inactive	No action – Maxeon tenancy at MDS in doubt
RRPS Ph. 1 Reservoir Design	In Design (Jacobs)	Phase 1 incl. 4MG Reservoir, In/Out Piping/Flow Cntrl Vaults EID required concurrent w/design (by Aug/Sept 2025)

Tasks		Stakeholder
<i>Task Update/Description</i>	<i>Status</i>	<i>Description & Key Info</i>
RRPS Ph. 1 Design Review	In Progress	MdS ARC (active via Consensus Planning) COA DRC (pending)
Univ. Blvd. Easements	In Progress	Easement appraisal shared with Sunport South. Sunport South in talks to sell property-Easement acquisition delayed.
RRPS Ph. 2 PS Design	Pending	Ph. 2 Scope/Fee pending from Jacobs (September 2025)

Goal 2: Wastewater Collection and Operations

Provide reliable, safe and affordable wastewater collection, treatment and reuse systems to protect the health of the Middle Rio Grande Valley by safeguarding the regional watershed, minimizing environmental impacts, and returning quality water to the Rio Grande for downstream users.

Objective 2.1 **Seek recognition in the National Association of Clean Water Agencies (NACWA) Peak Performance award program for excellence in permit compliance through the end of the 4th Quarter of FY25.**

Staff Assignment: Berman/Larson

	Q1	Q2	Q3	Q4
Exceedances	4	8	0	0

Objective 2.2 **Continue work on the Partnership for Clean Water program for the Southside Water Reclamation Plant (SWRP) to optimize system operations and performance by the end of the 4th Quarter of FY25.**

- **Continue work on outstanding items identified from the Phase 3 Self-Assessment that are not yet considered optimized and submit a progress report to AWWA.**

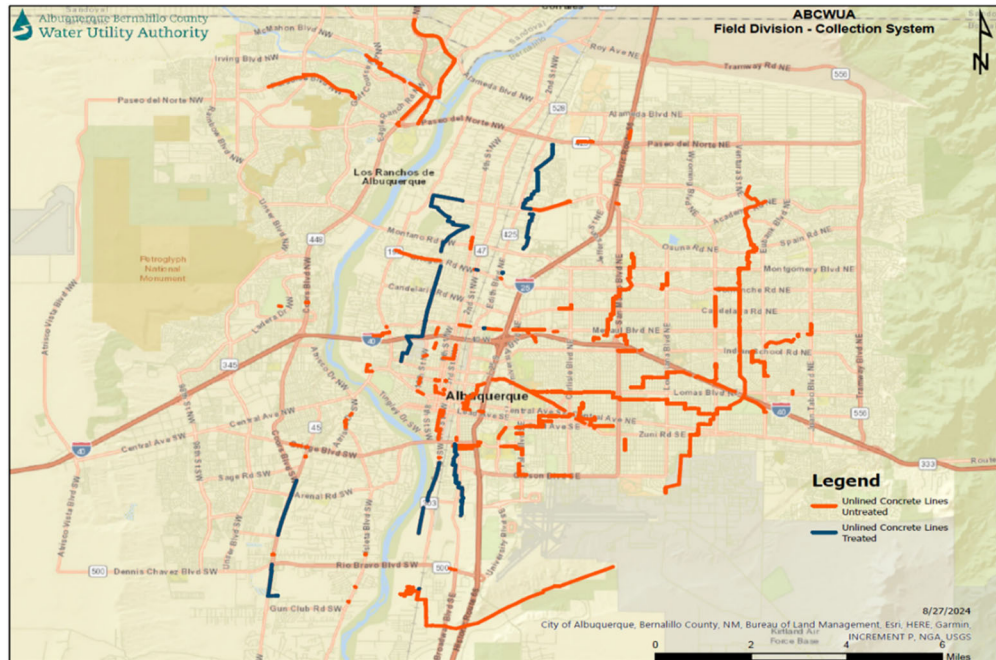
Staff Assignment: Berman/Larson

Task	Status
Partnership for Safe Water – Phase III – Self-Assessment	Completed
Staff work on items not yet optimized	On-going
Self-assessment update	Completed (annual)

Objective 2.3 **Manage chemical usage and residual iron sludge from the Water Treatment Plant to maintain collection system corrosion and odor control,**

with a goal of zero odors, while considering impacts on wastewater treatment operations and effluent quality. Monitor and report metrics through the end of the 4th Quarter of FY25, including progress on Odor Control Station construction. Identify additional odor control stations as needed.

Staff Assignment: Warren/Holstad/Berman



Odor control utilizing ventilation control continues to be much less costly than chemical addition. Collection Section is testing corrosion management while reducing chemical expenditures which can be applied to other needs, e.g., interceptor rehab. In 8 months (January through August 2024), chemical feeds were reduced by \$0.5MM system wide versus January through August 2023. At the critical monitoring location of Coors and Blake, average H₂S increased from 24 to 27 ppm. Per WATS model analysis, this results in a corrosion increase of 0.01" in 5 years at the critical location. The rehab cost of remaining unlined concrete interceptors is \$330MM, of which 30% receives chemical treatment. (See map below.) Through the regular inspection of unlined concrete interceptors and a robust rehab program, the goal will be to manage corrosion at reduced chemical cost.

Objective 2.4 Continue to reduce sanitary sewer overflows (SSOs) in accordance with the Capacity, Management, Operation, and Maintenance (CMOM) Plan. Continue the manhole monitoring pilot study initiated in FY23 to diagnose flow patterns and provide advance alerts of downstream blockages. Provide final recommendations based on the pilot study by the end of the 4th Quarter of FY25.

Staff Assignment: Warren/Holstad

Task	Status
Software/communication support	Extended additional two years
Pilot program	Transition to permanent program O&M staff mgmt.

Objective 2.5 As part of the CMOM Program, continue to evaluate pilot modifications to the Sub-Basin cleaning program. Look at possible changes such as sub-basin cleaning frequency to optimize effectiveness of preventative maintenance cleaning to the lines most likely to spill. Provide final recommendations for modifications to the cleaning program by the end of the 4th Quarter of FY25.

Staff Assignment: Warren/Holstad

Per the CMOM Plan, the Collection Section continues to implement and monitor the pilot 15-year cycle for Sub-Basin cleaning.

The Water Authority is active and at the forefront of an industry-level effort to increase the effectiveness of O&M cleaning. The Water Authority has previously presented data individually (at a specialty conference) and (at WEFTEC) as part of the Water Environment Federation (WEF) Collection Systems Community Technical Project Group (TPG). This data indicates that optimization is possible, but industry standards may limit the ability to implement by many utilities. The Water Authority is leading the current TPG effort to survey utilities on their practices and limitations and to engage with professional organizations in addition to WEF.

Objective 2.6 Install AMI devices in three additional vacuum station service areas to gather system performance data and respond quickly to low-vacuum conditions by the end of the 4th Quarter of FY25.

Staff Assignment: Warren/Holstad

Task	Status
Stations VS57 and VS69 selected	Vacuum valves replaced in selected pits requiring upgrade. Boxes and conduits installed. AMI Smart Gateway device installations completed in Q4.
VS63 service area data validation	System upgrade identified and under design
VS61 service area	Utilized AMI data to approve infill development

Objective 2.7 National Pollutant Discharge Elimination System (NPDES) Pretreatment Program monitors compliance with the Water Authority’s Sewer Use and Wastewater Control Ordinance:

- i. Monitor continuous discharge permitted industries 16 days per year or 4 days per quarter;
- ii. Complete 16 industrial permit inspections each quarter;
- iii. Complete 175 Food Service Establishment inspections each quarter; and
- iv. Complete 52 dental office inspections each quarter.

Report on performance and percent of Sewer Users in compliance for each category each quarter during FY25.

Staff Assignment: Shurn/Zarreii

In Q4 the goal of 100% quarterly sampling and inspection rates were not met due to new employee training and scheduled/unscheduled time off and employees leaving the Water Authority. The NPDES program Has lost 2 out of 4 Monitoring Technicians.

Sampling Rate Goals for FY2025: All continuous discharge facilities are scheduled for a 4-day sampling event each quarter, resulting in 16 days per year. The tracking in this table will show a simplified view indicating that the quarterly 4-day sampling event occurred for each facility.

Discharge Type	Expected Facilities per QTR	% Facilities Sampled Complete				
		Q1	Q2	Q3	Q4	FY25 Total
Continuous	56	82%	71%	89%	83	85%

Inspection Rate Goals for FY2025: Quarterly inspection numbers are based on average number of facilities in each category, which can change from month to month. The inspection rates below are presented by both number and % complete with the goal of having 100% of all our inspections completed each quarter. Permitted Industrial Users and Dental office goals are to inspect every facility every year. Fats, Oils, Grease, and Solids (FOGS) goal is to inspect each FOGS establishment every three years.

Facility Type	Expected Facilities per year	Expected Inspections per QTR	% Inspections Complete				
			Q1	Q2	Q3	Q4	FY25 Total
Permitted Industrial Users (IU)	67	16	80%	119%	119%	107%	106%
Fats, Oils, Grease, & Solids Establishments (FOGS)	750	187	62%	92%	102%	305%	140%
Dental Offices (AG)	192	48	106%	136%	111%	48%	101%

Compliance Rate: Compliance rates are reported in the table below:

Performance and Percentage of Sewer Users in Compliance for each Category						
Facility Type	Current # of Facilities	# of Non-Compliant Facilities	% of Sewer Users in Compliance			
			Q1	Q2	Q3	Q4
Industrial Users (IU)	65	16	74%	76%	73%	77%
Fats, Oils, Grease, & Solids Establishments (FOGS)	2,271	317	86%	86%	86%	86%
Dental Offices (AG)	192	10	98%	95%	96%	94%

Objective 2.8 NPDES Pretreatment Program is required to maintain a list of all Industrial Users (IU) within its service area as part of its Environmental Protection Agency (EPA) NPDES permit. The Pretreatment Program will conduct 12 Industrial User Survey inspections each quarter and evaluate all of them to determine the necessity of permitting within the quarter. When the users are identified as Significant Industrial Users (SIU), the program will permit the SIU within the next quarter. The FY25 Industrial User Surveys and permit necessity evaluations will focus on the Mercury Minimization Plan (MMP) SIC list with mercury discharge potential and the previously permitted hospitals as outlined in the MMP Implementation Program Objectives:

1. Evaluate previously permitted hospitals for permit necessity and start the permitting process for at least 50% of those needed.
 - FY25 goal is to evaluate/permit 50% (4) hospitals at one (1) per quarter.
2. Evaluate mercury potential at 10-25% of industrial users on the SIC list per year.
 - FY25 goal is to inspect/evaluate 19% (44) SIC facilities at 11 per quarter.
3. Evaluate the IU survey list and Permit at least 1 Industry per quarter.

Staff Assignment: Shuryn/Zarrei

IU Survey and Permitting Status Goal: Number of Industrial User Surveys conducted and evaluated for significance, how many were determined to be Significant Industrial Users (SIU) and are in the process of permitting and how many have been permitted from the previous quarter are below:

All SIU survey goals were met in 4th quarter. IU Survey's will be prioritized based on this priority list and potential SIU list created from a high-water user report exported from CC&B via Cognos monthly. The goal of 11 IU Surveys includes both mercury potential and potential SIUs, adding in the 1 hospital to total the goal to 12 IU surveys per quarter.

Industrial User Permitting Goal	Quarterly Goal	Actual IUs Evaluated or Permitted in Q4	% Complete				
			Q1	Q2	Q3	Q4	FY25 Total
Hospital IU Survey/Permit	1	0	100%	0%	100%	100%	75%
Mercury Potential SIC IU Survey	11	2	72%	100%	100%	82%	89%
Potential SIU IU Survey		7					
Total IU Surveys Completed	12	11	67%	92%	100%	92%	88%
IUs Designated as SIU for Permitting	Evaluation based (varies)	2	N/A				
SIUs Permitted (excluding hospital)	1	1	200%	300%	100%	0%	150%

Objective 2.9 Implement the 2024 Program Objectives outlined in the MMP 2023 Implementation Status Report sent to EPA.

1. Evaluate mercury potential at 10-25% (20-51) of dental facilities per year.

- FY25 goal is to sample/evaluate 18% (36) dental facilities at 9 per quarter.

Staff Assignment: Shuryn/Zarrei

MMP Dental Facility Mercury Potential Evaluation	Quarterly Goal	Actual Facilities Sampled in Q4	% Complete				
			Q1	Q2	Q3	Q4	FY25 Total
Dental Facilities Sampled	9	11	44%	0%	122%	89%	64%

Objective 2.10 In support of the Bosque Water Reclamation Plant, work collaboratively to develop actions, workflow, and an updated timeline for completion of the required planning/design documents, permits, and environmental documents through FY25.

Staff Assignment: Kelly/Agnew/Shuryn/Laughlin

Tasks		Stakeholder			
<i>Task Update/Description</i>	<i>Status</i>	<i>Description</i>	<i>Local Entity</i>	<i>State Agency</i>	<i>Other</i>
Funding Plan	In Progress	30% Design WO complete	WA		
Outfall	In Progress	Reg./Permitting/Design ongoing with Carollo/D. Agnew	Open Space	MRGCD	

Tasks		Stakeholder			
<i>Task Update/Description</i>	<i>Status</i>	<i>Description</i>	<i>Local Entity</i>	<i>State Agency</i>	<i>Other</i>
Planning/Design	In Progress	30% design due Oct 2025	WA		
CMAR Solicitation	In Progress	Q1/Q2 FY26 – CMAR RFQ/RFP	WA		
Public Meetings	Pending	Q3 FY26	Many		
Public Impact Plan	Pending	Q4 FY25	Many	Many	

Goal 3: Customer Services

Provide quality customer services by communicating effectively, billing accurately, and delivering water and wastewater services efficiently based on understanding the needs and perceptions of our customers and the community at large.

Objective 3.1 **Conduct customer focus group meetings to acquire customer input on a bill redesign by end of the 1st Quarter of FY25. Evaluate feedback and develop bill redesign, if determined, by the end of the 4th Quarter of FY25.**
Staff Assignment: Mendez

Task	% Completed	Completion Date
Focus Groups Conducted	100%	April 2024
Customer Feedback Evaluated	100%	August 2024
Develop Bill Redesign with TPSi	100%	March 2025
Final Redesign, Review, Approval	100%	May 2025

Objective 3.2 **Continue implementation of the AMI project by replacing 20,000 aging water meters with smart meters to increase revenue, support conservation efforts, and provide better customer service by the end of the 4th Quarter of FY25.**
Staff Assignment: Warren/Malouff

QTR	Replaced	Goal
Q1	2,680	5,000
Q2	1,647	5,000

QTR	Replaced	Goal
Q3	1,227	5,000
Q4	1,932	5,000
Total	7,486	20,000

The reduction in installations of the AMI water meters is due to several of the meter boxes requiring breakouts, setbacks, or new boxes at the time of installation. 14% meters remain non-AMI in the system.

Objective 3.3 Conduct Customer Conversation meetings to engage customers and obtain input from customers on the Water Authority’s activities through the end of the 4th Quarter of FY25.

Staff Assignment: Morris

Task	Status
Customer Conversation meetings	Meetings held June 10, 11, 12; moderated by Research & Polling Inc. RPINC meeting report and participant survey completed.

Objective 3.4 Track and report conservation education outreach to service area customers and meet the following targets: 1) 100 Water use Efficiency Audits; 2) 400 Landscape Professionals trained; and 3) 24 newsletter articles by the end of the 4th Quarter of FY25.

Staff Assignment: Kelly/Arber

Metric	Q1	Q2	Q3	Q4	FY25 YTD
Water Use Efficiency Audits	19	38	40	20	117
Landscape Professionals Trained	14	0	0	0	14
Newsletter Articles	6	6	6	6	24

Objective 3.5 In conjunction with the development of automated leak notifications for customers with AMI meters, develop an instructional video to assist customers in signing up in the self-service portal and setting alerts. Launch a marketing campaign to encourage AMI customers to sign up for the portal.

Staff Assignment: Kelly/Arber/Zamora/Morris

Task	Status
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Instructional Video Production	Video production complete; in process of posting to website
Marketing campaign	Launches Sept 2025 or as soon as URLs are available for linking

Goal 4: Business Planning and Management

Maintain a well-planned, managed, coordinated, and financially stable utility by continuously evaluating and improving the means, methods, and models used to deliver services.

Objective 4.1 **Implement at least one planned Interceptor Rehabilitation project in FY25, and complete at least one interceptor design package by the 4th Quarter of FY25; Implement at least one planned Small Diameter Sanitary Sewer Rehabilitation project in FY25.**

Staff Assignment: Laughlin/Holstad

Through Q3, \$7.7M was expended on Sanitary Sewer pipeline renewal, with encumbrances of \$9M.

Project Name	Status	Completion Date	EOPCC	Contractor Info	Cent. Engr. PM
Isleta/Griegos (Rio Grande to 12 th) Interceptor Rehab – Smith Eng.	Construction	Q1 FY26	\$10M	InSituForm	Eric W.
Viola from Barcelona to Blake	Construction	Q3 FY25	\$3M	InSituForm	Eric W.
LS20 FM Replacement – Ph. 1	Construction	Q4 FY26	\$14M	TLC	Jon E.
Grit Collection Station – 12 th & I-40 – WHPacific/NV5	95% - Shelf	Ready to Bid	\$1.0 M	TBD	Rochelle L.
Westside Interceptor Rehab – Old Coors to Arenal Re-Design - Smith	95% - Shelf	Ready to Bid	\$5.0 M	TBD	Tom M.
FY17 Westside Interceptor Rehab – Arenal to Blake - Carollo	95% - Shelf	Ready to Bid	\$7.0M	TBD	David L. –re-assign
FY17 Menaul Interceptor Rehab – University to Girard - Carollo	95% -Shelf	Ready to Bid	\$5M	TBD	David L. –re-assign
FY22-1 – Package I 12 th St. from Bellrose to I-40	Design - Garver	Design Q4 FY25	\$11M	TBD	Daven T.
FY22-2 – Package D 2 nd St. from Woodward to Baseball Fields	Design - Wilson	Design Q4 FY25	\$9M	TBD	Daven T.
FY22-3 – Package E Barr Canal between Woodward & Rio Bravo	Design - SMA	Design Q4 FY25	\$4M	TBD	Daven T.
FY22-4 – Package Z PDN West of Jefferson	Design – Wood	Design Q4 FY25	\$2M	TBD	Daven T.

Project Name	Status	Completion Date	EOPCC	Contractor Info	Cent. Engr. PM
FY25-Rio Bravo/Coors Interceptor & Flow Control Vault Relocation	Design-Smith	Design Q4 FY25	\$8M	TBD	Daven T.
FY25-Sunport/Arno Interceptor Rehab	Project Complete	Q4 FY25	\$3M	AUI	Tom M.

The CIP budget will continue to rehab as much high-risk Interceptor SAS as possible, while balancing other competing CIP funding demands.

Objective 4.2 **Seek to increase renewable/green energy generation at Water Authority facilities. Provide updates on plan and project progress, and report power generation over time by the end of the 4th Quarter of FY25. Generate at least 25% of total SWRP power needs from the on-site solar array and from digester gas-fueled cogeneration by the end of the 4th Quarter of FY25 and report progress quarterly.**

Staff Assignment: Berman/Larson

Maintenance	1 st Qtr	2 nd Qtr	3 rd Qtr	Apr	May	June	4 th Qtr	FY25	Goal
% total SWRP power needs met using renewable sources ¹	39%	44%	46%	48%	39%	43%	43%	43%	25%

¹Sum of power produced by on-site solar array or digester gas-fueled cogeneration.

Objective 4.3 **Finalize the Utility Development Guide to clarify the development process for users by the end of the 4th Quarter of FY25 including workshops and outreach to the development community.**

Staff Assignment: Cadena

Task	% Completion	Status	Completion Date
Utility Development Guide	100%	Document completed. Begin outreach to development community.	Completed July 2025

Objective 4.4 **Continue monitoring progress on the strategic asset management program (SAMP), with quarterly monitoring of the following metrics and associated targets through the end of the 4th Quarter of FY25.**

- i. Preventative Maintenance to Corrective Maintenance Ratio, Target greater than 80%,

- ii. Asset Registry Information Accuracy/Number of Assets without Life Cycle Status, Target less than 10%,
- iii. Asset Inventory Accuracy, Target greater than 95%,
- iv. Work Orders without Assets, Target less than 10%,
- v. Work Order Aging, Target greater than 90% of Work Orders Closed within 180 calendar days.

Staff Assignment: Ortiz/Daniels

Metric	Q1	Q2	Q3	Q4	Target
Preventive Maintenance to Corrective Maintenance Ratio	89.35%	89.91%	89.91%	89.78%	>80%
Asset Registry Information Accuracy	69.31%	69.28%	69.21%	69.23%	<10%
Asset Inventory Accuracy	98.97%	97.26%	88.37%	100%	>95%
Work Orders without Assets	20.53%	21.47%	22.28%	22.52%	<10%
Work Order Aging	86.37%	88.11%	87.20%	85.66%	>90%

Objective 4.5 To improve decision making with available data transition existing Strategic Asset Management Plan (SAMP), Scorecard, Effective Utility Management (EUM) and Operations dashboards to Microsoft Power BI by the end of the 4th Quarter of FY25. Utilizing Power BI dashboards, with the integration with Maximo and Finance Enterprise, will ease the time required to calculate key performance indicators (KPIs).

Staff Assignment: Ortiz/Daniels/Lander

Task	Status
EUM Dashboard and Scorecard	Converted to Microsoft Fabric as basis for Power BI data
Departmental KPI's	Published Power BI dashboards-2 departments FY25; 1 department Q1 FY26. Development-2 departments.

Objective 4.6 Review and update the Water Authority's Vulnerability Assessment (VA). Originally completed in 2018, the certification was submitted to the EPA in 2020. This assessment and certification are mandated to be revised and submitted to the EPA every 5 years. A consulting group will prepare a draft scope of work to evaluate the existing VA, commencing in the 1st Quarter of FY25. The assessment and certification process will conclude by the end of the 3rd Quarter of FY25.

Staff Assignment: Santiago

Task	Status
Vulnerability Assessment	Safe Drinking Water Act Sec. 1433/America's Water Infrastructure Act Sec. 2013 Risk and Resilience Assessment Certification Statement Submitted March 21, 2025 - Complete
Emergency Response Plan-Update	Discussions regarding critical customers are scheduled for July 29, 2025, with representatives from Risk, Operations, Public Affairs, and IT. The group will determine next steps for updating the Emergency Response Plan and begin preparing the revised plan for submission and certification to the EPA, which is slated for September 2025.

Objective 4.7 Continue promoting a Culture of Security in accordance with the AWWA G430 standard within the Water Authority, by developing policies and procedures that include strategies for internal communication and trainings on security-related topics. Track and measure metrics quarterly throughout FY25 that are directly related to National Infrastructure Protection Plan Water Sector-Specific Plan and America's Infrastructure Act.

Staff Assignment: Santiago/Stinson/Berman

Task	Status
Security Reporting and Metrics Tracking	Asset Management, IT, Risk, Operations and Facilities implemented a new Maximo process to track work orders (WOs) and service requests (SRs) with a designated Security sub work type. A quarterly Security Report is distributed to the Risk and AMPT teams. Complete
Security Contractor	Security Contractor has created a new security incident reporting system that allows Risk staff to monitor incidents.
New Security SOP	A new SOP has been issued to guide staff and security contractors in reporting and responding to facility gate malfunctions or damage. It outlines current best practices and ensures consistent handling of gate issues.
Internal Auditor Request	In response to the internal audit request we are compiling requested policies, including Access Control, Insider Threat, and Incident Response. Existing risk assessments related to infrastructure vulnerabilities are also under review. This supports our ongoing efforts under Objective 4.7 to strengthen security

Task	Status
	culture and align with AWWA G430 and national infrastructure protection goals

Objective 4.8 Complete the annual update and review of the Comprehensive Information Technology Security Plan and related policies that are aligned with the standards, guidelines, and best practices of the National Institute of Standards and Technology (NIST) Cybersecurity Framework by the end of the 4th Quarter of FY25. Track and measure metrics that are directly related to NIST standards. Incorporate specific standards and policies that directly relate to the Water Authority’s Supervisory Control and Data Acquisition (SCADA) systems. Complete Annual Penetration (PEN) test and remediate any critical items that pose an imminent threat. Automate and implement a secure zero-trust model to proactively detect and remediate indicators of compromise to minimize the impact to the Water Authority.
Staff Assignment: Stinson/Sample

Task	Status
Annual update/review	In progress

























































Objective 4.9 Continue implementation of the SCADA System Master Program. Implement both short-term and long-term goals directly tied to the sequencing of migrating to a single SCADA platform utilized including programmed projects by the end of the 4th quarter of FY25.
Staff Assignment: Stinson/Ebia/Berman

Project	% Complete	Target Completion Date
SWRP Radio Tower (and SWTP Tower Mods)	100%	April 2025 (RMCI portion closed out)
SWRP ABB HMI to AVEVA HMI	97%	June 2025
Collections/Stormwater Remote Site Upgrades	45%	August 2026 (extension due to 3 sites/month)
SWTP/GW OASyS to AVEVA Conversion	35%	March 2026
SWTP CPU Upgrades and ControlNet Replacement	55%	December 2025
SWRP ABB PCU to Allen Bradley PLC Conversion	5%	June 2028 (Design on Hold)
Groundwater Remote Site Upgrades	0%	June 2028

Objective 4.10 Upgrade and patch all enterprise applications to add required upgrades and enhancements, mitigate potential cybersecurity vulnerabilities, continue daily support, leverage functionality enhancements to improve business processes and capture and use data intelligently and create efficiencies through the end of the 4th Quarter of FY25. Major Projects include:

- Upgrade the Customer care and billing (CC&B) application. Expected completion during 1st Quarter of FY26.
- Utility Network upgrade to begin FY25 with completion targeted for FY26.
- SCADA Master Program related projects.
- Replace ITD ITSM Tool for Service Desk Functionality. Expected completion during FY25.
- Cloud/SAAS Migrations for targeted workloads.

Staff Assignment: Stinson/Lind/Walz-Burkett/Chavez

Project Name	Health	Timeline Health	Financial Health	Scope Health
CC&B Upgrade to 8.8				
LabVantage Upgrade				
UKG Ready Project				
Windows 11 Upgrade				
Maximo Oracle to SQL Server DB				
Utility Network Upgrade				
Move IR Production Environment				
Design ROK Environment				
Move from Hg to GitHub				
Redesign SPS_MAIN				
Build an MWM mapping services layer				
Push Cust Svc Data up into ROK				
Set up VertiGIS Analytics				
MWM Meter Box Inspections				

Objective 4.11 Continue to develop LabVantage (“laboratory information management system”) throughout FY25 to maximize the automation of data entry to

reduce data entry errors and increase the use of electronic data deliverables (EDD) through the end of the 4th Quarter of FY25. Provide quarterly update on the LabVantage Upgrade through the end of the 4th quarter of FY25.

Staff Assignment: Shuryn/Hardeman

Project	% Complete	Next steps
SDMS Drivers for Data Automation	71%	Waiting on fixes for BOD and IC
Electronic Data Deliverables (EDD)	90%	Waiting on MS patch
Analytical Quality Control	80%	Waiting additional functionality
Tracking Analytical Costs	90%	Ready for testing
User Management and Security	0%	Have not started
Consumables Management	0%	Have not started
Report Templates	0%	Have not started
Jira Issue Tickets	44%	Ongoing (20 of 45 tickets resolved)

Objective 4.12 **Implementation of the Revised Lead and Copper rule. Continue the initial service line inventory, publish inventory online, create a lead service line replacement plan, submit the inventory and the replacement plan to NMED Drinking Water Bureau (DWB) by October 16, 2024. Resume testing and implementation of customer survey of household premise plumbing material. Began outreach to all elementary schools and childcare facilities regarding new monitoring requirements and follow up with sample plan templates. Initiate lead sampling at elementary schools and schools and childcare facilities.**

Staff Assignment: Shuryn/Pompeo/Warren/Malouff

Task	Status
Outreach materials	School and childcare facility notification is ongoing in Q4
Confirming contact info-schools and childcare facilities	Submitted to NMED in Q2
Customer lead service line inventory	Published on website in Q3; 17 submitted, 9 accepted and entered in the lead service line inventory

Task	Status
Service Line Inventory	GIS submitted the reformatted original service line inventory to NMED's SWIFT database; waiting for NMED approval of proposed modeling to make updates to nonlead status.
Replacement Plan	Summary submitted to NMED in Q1; Consultant (CDM Smith) finalizing final plan in Q2; Consultant (CDM Smith) submitted final plan in Q3. In Q4, Consultant will begin Master Meters project to determine customer side materials for large meters with multiple buildings.
Voluntary lead sampling program	No Q4 updates
Outreach materials for schools and childcare facilities	The annual letter notifying all schools and childcare facilities was emailed and mailed out on 3/26/2025. A secondary letter was sent to schools and childcare facilities that are scheduled to be sampled this year on 3/28/2025
Track responses from schools and childcare facilities	Ongoing in Q4 – 24 childcare centers did not respond or declined testing.
Lead Sampling at school and childcare facilities	As of 6/30/2025 214 school and childcare samples were taken and reported by the Water Quality Lab. 35 APS elementary schools, 12 childcare facilities and 1 private elementary school were sampled.

Objective 4.13 Prepare for Per-and Polyfluoroalkyl Substances (PFAS) regulation by conducting baseline sampling at active wells, the surface water intake, and distribution entry points by the end of the 4th Quarter of FY25. This will help identify trends and/or impacts to the water supply.

Staff Assignment: Shuryn/Pompeo

Task	Status
2025 PFAS baseline sampling	Bi-weekly: River Intake, SWTP, Terminal Reservoirs, Atrisco Wellfield and Gonzales Well 2; Quarterly: all active Entry Points; Annual: all active wells

PFAS Sampling Events						
Fiscal Year	PFAS Samples Taken	# of PFAS analytes tested	Detections above the Reporting Level	Above the Reporting Level Detections at Atrisco Well Field	Lab Method 533 Detections	Lab Method 537 Detections
2021	4	146	0	0	0	0
2022	21	1,029	0	0	0	0
2023	68	2,818	6	2	5	1

PFAS Sampling Events						
Fiscal Year	PFAS Samples Taken	# of PFAS analytes tested	Detections above the Reporting Level	Above the Reporting Level Detections at Atrisco Well Field	Lab Method 533 Detections	Lab Method 537 Detections
2024	365	15,183	67	37	32	35
2025*	233	1,878	34	32	18	16

Objective 4.14 Evaluate the current Water Authority Budget Ordinance and Water and Wastewater Rate Ordinance. Recommend updates and revisions to the ordinances in accordance with Government Finance Officers Association (GFOA) Best Practices and New Mexico State Statute requirements by the end of the 4th Quarter of FY25.

Staff Assignment: Ortiz/Lander/Daniels/Mendez

Task	% Completed	Completion Date
Evaluate Current Budget Ordinance	100%	June 2025
Evaluate Water and Wastewater Ordinance	100%	June 2025
Recommend Updates and Revisions	85%	June 2025
Final Review/Approval of Recommended Updates and Revisions	30%	Summer 2025

Objective 4.15 Update and document all financial policies and procedures in accordance with GFOA Best Practices and internal audit recommendations by the end of the 4th Quarter of FY25.

Staff Assignment: Ortiz/Lander/Daniels/Kelcourse/Mendez/Li

Task	% Completed	Completion Date
GFOA Best Practices Webinar Series	100%	July-August 2024
Gather policies and review procedures	100%	Spring 2025
Draft updates and changes	100%	Spring 2025
Final review/approval of recommendations	90%	Summer 2025

Objective 4.16 Assess and strategize processes to help reduce fuel over-consumption to minimize the operating cost of Water Authority vehicles. Collaborate with

department heads to develop a strategic plan to minimize fuel consumption by the end of the 4th Quarter of FY25.

Staff Assignment: Allred/Arellano

Task	Strategy
Monitor fuel usage consumption	Weekly idle report for each department; sent to management team. Contractor (Samsara) set up push notifications for excessive engine idling-can be sent via email or text to the assigned supervisor.
Monitor fuel transactions	Bi-monthly report based on GPS data and fuel locations for verification

Goal 5: Organization Development

Sustain a well-informed, trained, motivated, safe, organized, and competitive work force to effectively meet the expectations of the customers, community, and Board in accordance with adopted policies and mandates.

Objective 5.1 Complete two employee wellness challenges per fiscal quarter focusing on nutrition, physical activity and weight loss, and disease and injury prevention to employees with a 60% or greater overall completion rate by the end of the 4th Quarter of FY25. In collaboration with our Employee Assistance Program, increase mental health awareness through quarterly trainings and presentations. Incorporate more remote wellness options for employees to participate in, including video classes and instructional videos by the end of the 4th Quarter of FY25.

Staff Assignment: Jaramillo/Leonard

Quarter	Challenge	Completion Rate	Goal
Q1	Thirst First	63%	60%
	Produce for Health	70%	60%
Q2	Healthy Habits	62%	60%
	Maintain or Lose it!	60%	60%
Q3	Dry January	75%	60%
	Sleep Challenge	67%	60%
Q4	MMCardio Challenge	75%	60%

Quarter	Challenge	Completion Rate	Goal
	30 Miles in 30 Days	70%	60%

Objective 5.2 **Develop an awareness program to increase employee participation in annual physicals by 20% by the end of the 4th Quarter of FY25.**

Staff Assignment: Jaramillo/Leonard

FY24 YTD	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY25 Total	% Increase	Goal
0	4	8	13	20	45	100%	20%

Objective 5.3 **Maintain an average utility-wide vacancy rate of no greater than 7% through the 4th Quarter of FY25. Maintain an average number of days to fill positions of 40 days or less through the end of the 4th Quarter of FY25.**

Staff Assignment: Jaramillo

Quarter	Vacancy Rate	Goal
Q1	8.0%	7.0%
Q2	8.36%	7.0%
Q3	7.9%	7.0%
Q4	5.0%	7.0%

Objective 5.4 **Consistent with the EUM self-assessment, track and measure the effectiveness of an onsite injury prevention program by utilizing a local ergonomic/physical therapy contractor to conduct field ergonomic assessments. The goal of these assessments is to mitigate workplace injuries and to reinforce correct body mechanics. Maintain the yearly injury hours goal of 2,500 hours or less to improve productivity and reliability of services provided by employees by the end of the 4th Quarter of FY25.**

Staff Assignment: Santiago/Jaramillo

Task	Q1	Q2	Q3	Q4	FY Total
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Onsite Ergonomic Coaching Assessments	5	9	6	10	30
Ergonomic Training Presentation	7	0	0	13	20
Onsite Ergonomic Job Coaching Assessments	2	2	0	5	9
Total Injury Hours Reported	86.00	88.25	289.35	424.75	888.35

Objective 5.5 Consistent with the Water Research Foundation Utility Innovation Project, report the Water Authority's Innovation Program success stories through the end of the 4th Quarter of FY25 with a goal of at least 1 new innovation story each quarter.

Staff Assignment: Jaramillo/Lucas

Type	Q1	Q2	Q3	Q4
Success Stories	3	2		2
Annual Innovation Award			Presentation to Board March 2025	

Objective 5.6 Incorporate feedback from the pilot mentorship program to create a leadership development program that can be implemented Authority-wide. Complete a second mentor leadership program by the end of the 3rd Quarter of FY25.

Staff Assignment: Jaramillo/Lucas

	Status	Completion Date
Mentorship Program	Vendor meetings - potential leadership program options	Q1 FY26

Objective 5.7 Utilizing compensation data compiled by Rocky Mountain AWWA and other public entity sources, evaluate the data for union and non-union positions. This will include evaluating labor trends and market data to compare to Water Authority positions and develop compensation strategies base on the date by the end of the 4th Quarter of FY25.

Staff Assignment: Jaramillo

	Status	Completion Date
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Compensation Evaluation	Received data from entities and evaluating information. Data was utilized during union negotiations in FY25.	June 2025
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Financial Report, Performance Scorecard, & Goals/Objectives Results

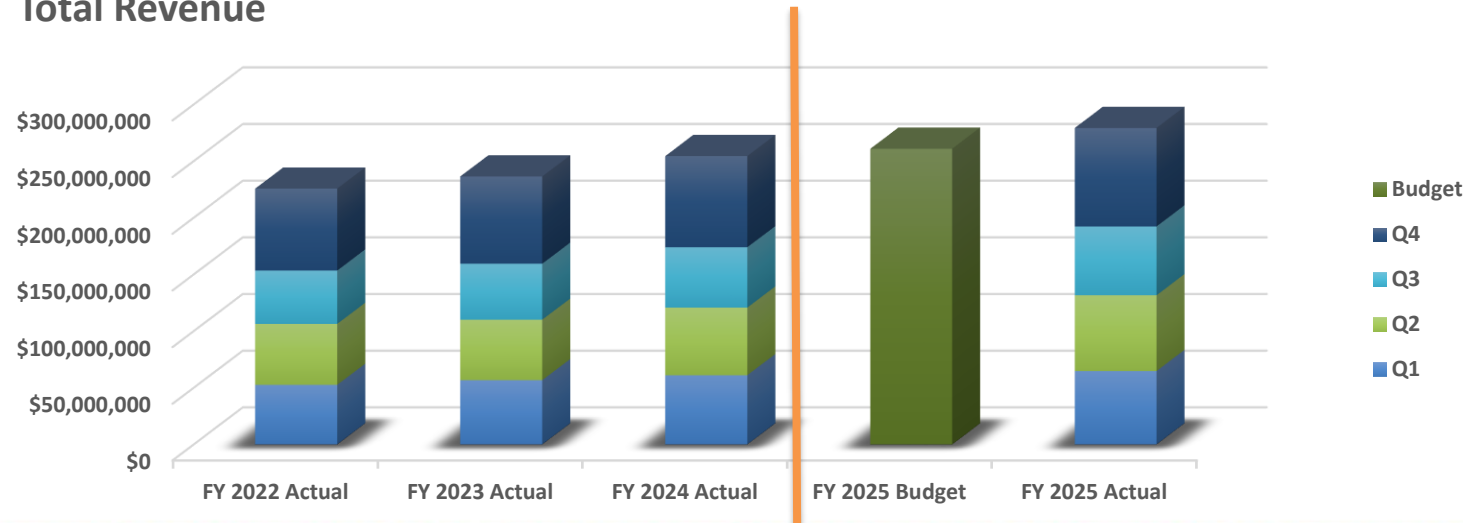
Fiscal Year 2025

4th Quarter (Q4) Results

FY25 Q4 Revenue

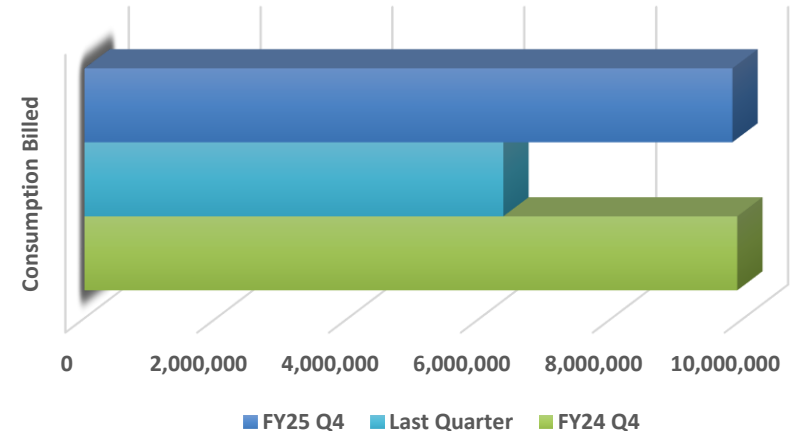
- FY25 Revenue Budget = \$260.9 million; \$7.6 million higher than FY24
- Rate revenue makes up the vast majority of total revenue at 98%, while miscellaneous revenue accounts for the remaining 2%.
- FY25 Q4 Revenue total \$87.3 million (including year-end accruals)
- YTD = \$279.4 million (107.1%)

Total Revenue



FY25 Q4 Consumption Billed

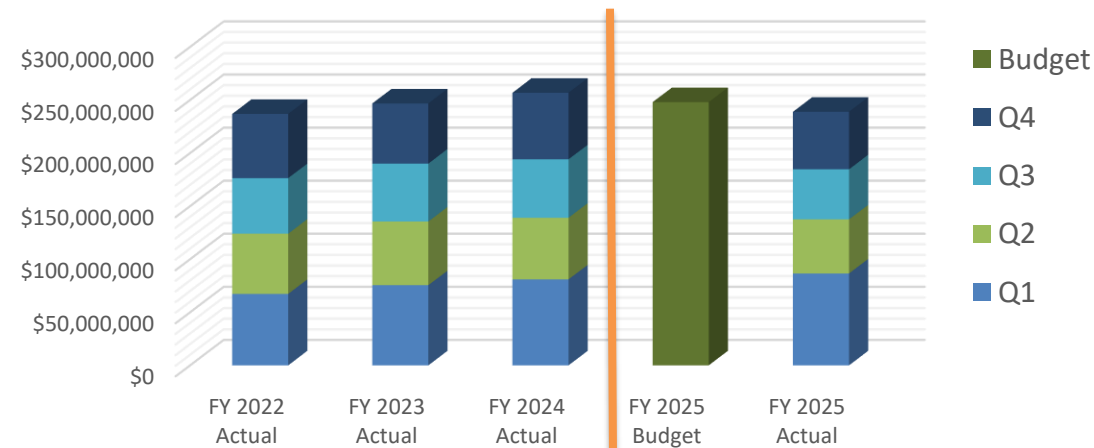
- Nominal growth for active billed accounts is:
 - 218,703, while metered-based accounts stand at 214,086 for service sizes 1-8.
 - In comparison, Q3 recorded 218,499 active billed accounts and 213,893 metered-based accounts.
 - Q4 **new** Accounts = **204**, of which **193** are metered
- Consumption billed for all customer classes:
 - Q4 = **9,827,549** compared to Q3 = **6,354,590**
 - 54.7% higher from last quarter (seasonal)
 - (0.7%) lower from same time last year



FY25 Q4 General Fund Expenses

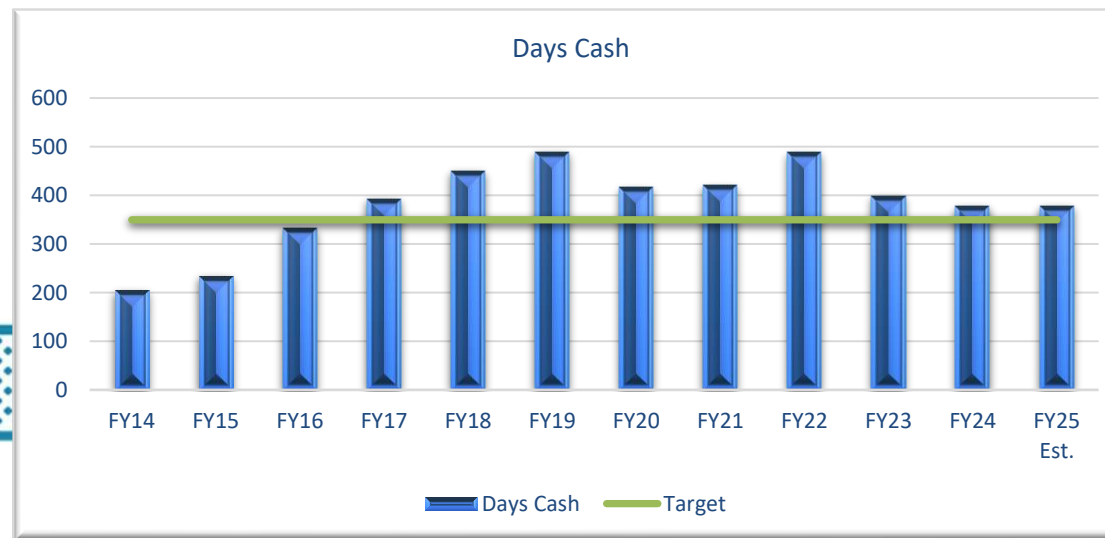
- FY25 Expense Budget = \$247.9 million
- FY25 Q4 Expenses = \$54.2 million
- FY25 Year-end Expenses= \$238.8 million (96.3%) – cost savings measures
- Transfers to CIP = Q4 - \$5.2 million; YTD - \$20.8 million
- Transfers to Debt Service = Q4 - \$8.7 million; YTD - \$75.0 million

General Fund Expense



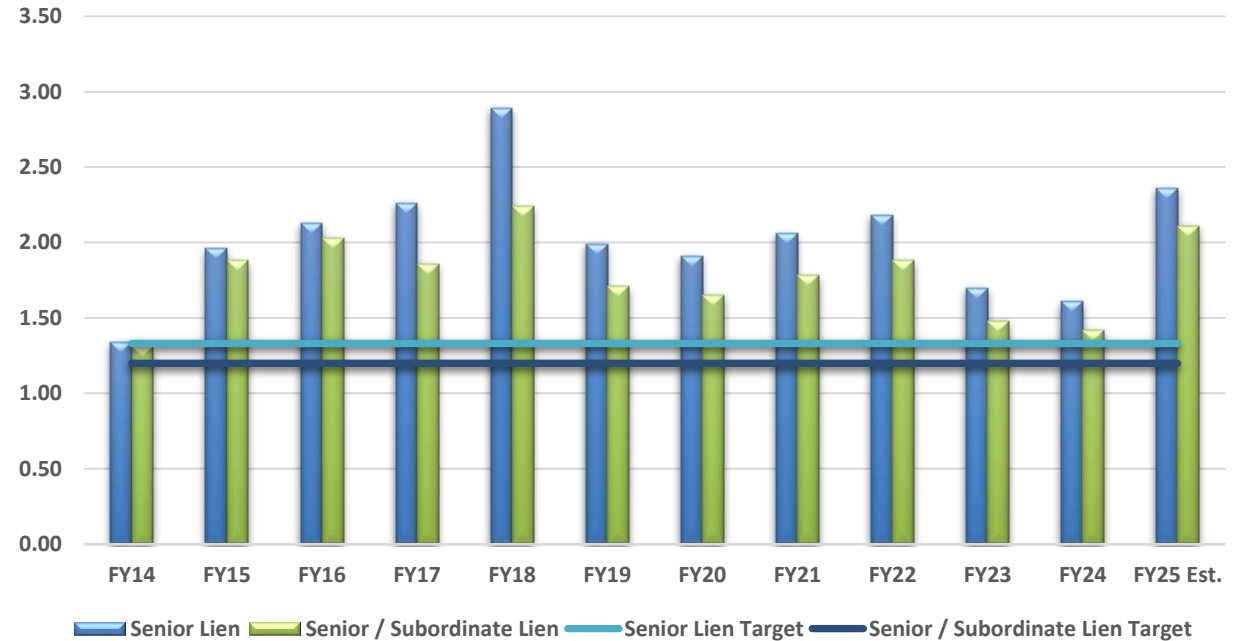
Finance Targets (KPIs)

- Working Capital
 - Working capital balance year-end projection = \$35.2 million with new rate adjustment in effect. Q4 = **\$58.5** million
- Reserves
 - \$11.2 million is being reserved for emergency expenditure needs, unexpected risk claims, and SAF State requirements.
- Days Cash
 - Q4 **378 (unaudited)**; year-end target = 350



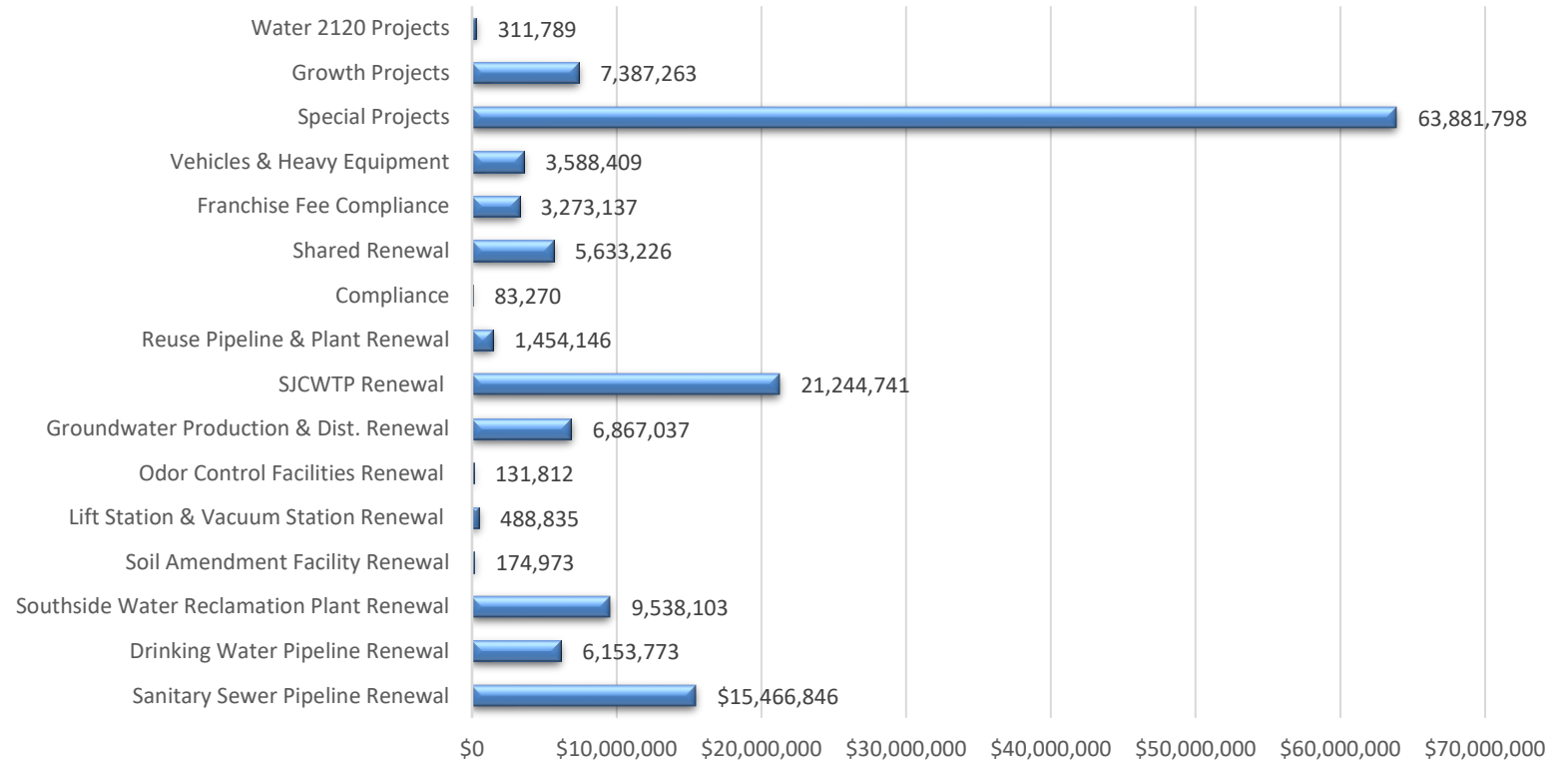
Debt Service Coverage Ratio

- Water Authority Policy minimum ratios = 1.33 Senior Lien and = 1.20 Senior/Subordinate Lien
- FY25 Q4 ratios
 - 2.36 Senior Lien
 - 2.11 Senior/Subordinate Lien
- Total FY25 debt obligations (P&I)
 - = \$92.6 million
- Total outstanding debt (P)
 - = \$506.7 million



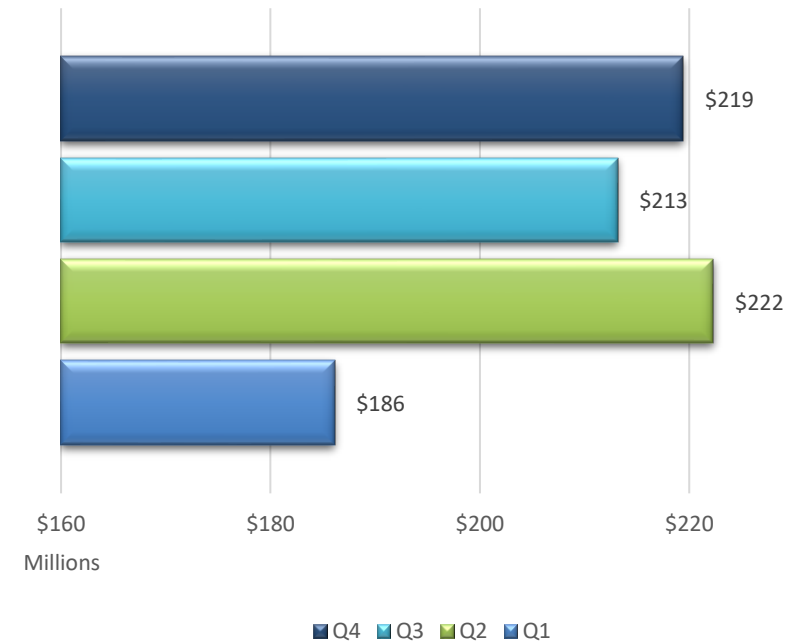
FY25 Q3 Capital Funds

- FY25 CIP Budget
 - **\$337.2 million**
- FY25 Spent
 - **\$145.7 million or 43.2%**
- Total Outstanding Commitments (Encumbrances)
 - **\$133.8 million**



FY25 Q3 Cash & Investments

- Investment Policy Priorities:
 - Safety
 - Liquidity
 - Yield
- Total Cash & Investments = \$219 million (06/30/2025)
- Q4 Investment Income = \$2.7 million; YTD = \$8.7 million
- Q4 Bank & merchant fees = \$555,547; YTD = \$2.2 million



FY25 Q4 Performance Scorecard

Level of Service Area	Indicator	FY25 Actual (FY to Date)	FY25 Target	Status
Regulatory	Number of Permit Excursions	11	≤ 5	
	Reported Overflows	30	< 40	
	SUO Compliance (Permitted Industrial Users)	78%	≥ 87%	
	SUO Compliance (Food Service Establishments)	83%	≥ 87%	
	SUO Compliance (Dental Offices)	98%	≥ 87%	
Reliability	Ground Water PMR	82%	≥ 65%	
	Surface Water PMR	79%	≥ 65%	
	Waste Water PMR	46%	≥ 65%	
	Water System (Miles Monitored)	2622	> 2200 miles	
	Water System (Miles Surveyed)	1092	> 650 miles	
	Water System (Leaks Found)	134	> 80	
	Water System (Water Loss Reduced)	18.1	> 75.0 MG	
	Miles of Sewer Line Cleaned	262	≥ 100 miles	
	Sewer Line Inspection Effectiveness	76	≥ 199 miles	
	Injury Time	888	< 2,500 hours	
Quality	Water Quality Complaints Rate	1.8	< 3.0	
	Biosolids to Compost	23%	> 30%	
	Renewable Energy (Bio Gas)	31%	≥ 16%	
	Renewable Energy (Solar)	9%	≥ 9%	
	Water Consumption (GW)	3.2	< 1.8 BG	
	Water Consumption (SW)	0.8	> 1.6 BG	
Customer Service	Wait Time	0.3	< 1.0 min	
	Contact Time	4.5	< 4.0 min	
	Abandoned Calls	2%	< 3%	
	First Call Resolution	82%	> 95%	
	Bill Exception Rate	7	< 8	
Finance	Rehabilitation Spending	\$73	≥ \$64 million	
	Pipe Infrastructure Emergency vs. Planned Spending	6%	≤ 50%	
	Cash Reserves	378	≥ 350 days	
	Revenue to Expenditures	118%	≥ 100%	
	Expenditures to Budget	95%	≤ 100%	





FY25 Q4

Water Authority

Goals/Objectives Results

- ✓ **Water Supply & Operations**
- ✓ **Wastewater Collection & Operations**
- ✓ **Customer Services**
- ✓ **Business Planning & Management**
- ✓ **Organizational Development**

FY25 Goal 1:

Water Supply & Operations

- Number of Objectives = 24
 - Results:
 - Target Achieved = 10
 - In Progress = 13
 - Target not met = 1



FY25 Goal 2:

Wastewater Collection & Operations

- Number of Objectives = 10
 - Results:
 - Target Achieved = 3
 - In Progress = 6
 - Target not met = 1



FY25 Goal 3:

Customer Services

- Number of Objectives = 5
 - Results:
 - Target Achieved = 2
 - In Progress = 3
 - Target not met = 0



FY25 Goal 4:

Business Planning & Management

- Number of Objectives = 16
 - Results:
 - Target Achieved = 3
 - In Progress = 13
 - Target not met = 0



FY25 Goal 5:

Organizational Development

- Number of Objectives = 7
 - Results:
 - Target Achieved = 6
 - In Progress = 1
 - Target not met = 0





Questions ?

Comments?