

Meeting Date: February 4, 2026
Staff Contact: Marta Ortiz, Chief Financial Officer

TITLE: **R-26-3 – Amendment to the Approved Operating and Capital Implementation Program Budgets of the Albuquerque Bernalillo County Water Utility Authority for the Fiscal Year Ending June 30, 2026**

ACTION: **Introduced and Immediate Action Requested**

SUMMARY:

This legislation takes immediate action to amend the FY26 Operating Budget and Capital Implementation Program (CIP). These mid-year adjustments address unanticipated changes in operational costs and provide additional funding for ongoing CIP projects requiring updated appropriations. Immediate action on the mid-year budget amendments is essential to ensure the Water Authority remains aligned with its financial obligations and operational priorities for the remainder of the fiscal year. Because the Board did not convene in December and January, several time sensitive adjustments that would typically have been reviewed earlier were delayed. Prompt approval at this time will help prevent further setbacks and allow critical projects to move forward without interruption.

FISCAL IMPACT:

Following adoption of the annual budget, revisions to both revenues and expenses are necessary to reflect actual performance from the first six months of the fiscal year, as well as updated projections for the remainder of FY26.

This action requests Board approval of the proposed amendments, which recognize additional revenue and authorize corresponding increases to Operating and CIP project budgets.

The table on the next page outlines the net revenue and expense amendments by fund:

			Revised Budget	Increase	Decrease	Adjusted Budget	Net Change
Fund 21 General Fund							
Revenue							
21000-461001	General Fund / Invest Interest		5,000,000	2,500,000		7,500,000	2,500,000
		Total	<u>5,000,000</u>	<u>2,500,000</u>	-	<u>7,500,000</u>	<u>2,500,000</u>
Expense							
21180-527500	Water Resources Planning / Contractual Services		1,358,668	115,000		1,473,668	115,000
21010-524107	Risk / Insurance Tort & Other		2,160,000	317,426		2,477,426	317,426
21020-527500	Finance / Contractual Services		1,714,258	90,000		1,804,258	90,000
21025-500301	Customer Service / Overtime		81,500	84,000		165,500	84,000
21035-523800	Information Technology / Repair and Maintenance		5,198,624	1,542,879		6,741,503	1,542,879
21200-526200	General Government / Indemnity Claims & Judgments		-	25,695		25,695	25,695
21215-523800	San Juan Chama / Repair and Maintenance		2,356,887	325,000		2,681,887	325,000
		Total	<u>12,869,937</u>	<u>2,500,000</u>	-	<u>15,369,937</u>	<u>2,500,000</u>
Fund 27 Water 2120 Fund							
Revenue							
27000-461002	Water 2120 Project / Loan Interest		25,000	25,000		50,000	25,000
		Total	<u>25,000</u>	<u>25,000</u>	-	<u>50,000</u>	<u>25,000</u>
Expense							
800502-500000	Bosque WW Reuse Facility		19,168,815		(9,775,000)	9,393,815	(9,775,000)
		Total	<u>19,168,815</u>	-	<u>(9,775,000)</u>	<u>9,393,815</u>	<u>(9,775,000)</u>
Fund 28 Rehab Fund							
Revenue							
280000-469099	Loan Int / Misc		-	131,000		131,000	131,000
		Total	<u>-</u>	<u>131,000</u>	-	<u>131,000</u>	<u>131,000</u>
Expense							
030802-500000	Digstr Rehab DT		2,473,502	131,000		2,604,502	131,000
		Total	<u>2,473,502</u>	<u>131,000</u>	-	<u>2,604,502</u>	<u>131,000</u>
Fund 29 Growth Fund							
Revenue							
290000-469099	Misc. Revenue		7,921,809	827,449		8,749,258	827,449
29000-483002	Proceeds NMFA Loans		13,655,943		(555,140)	13,100,803	(555,140)
29000-432010	Grants State of New Mexico		36,847,646		(25,222)	36,822,424	(25,222)
29000-431010	Grant Federal direct and Pass Thr		34,045,925		(325,781)	33,720,144	(325,781)
		Total	<u>92,471,323</u>	<u>827,449</u>	<u>(906,143)</u>	<u>92,392,629</u>	<u>(78,694)</u>
Expense							
280101-500000	MIS / GIS		5,252,751	827,449		6,080,200	827,449
94572401-500000	NMFA - Lead Service Line Replacement		900,219		(793,057)	107,162	(793,057)
94262501-500000	SAP - GW Monitor Well		25,250		(25,222)	28	(25,222)
94352404-500000	BOR-Wat Smt Outfall		490,797		(87,864)	402,933	(87,864)
		Total	<u>6,669,017</u>	<u>827,449</u>	<u>(906,143)</u>	<u>6,590,323</u>	<u>(78,694)</u>
Fund 31 Debt Service Fund							
Revenue							
31000-472412	City Water Expansion Charge		4,040,000	500,000		4,540,000	500,000
31000-472414	City Wastewater Expansion Charge		4,040,000	500,000		4,540,000	500,000
31000-461002	Loan Interest Income		300,000	300,000		600,000	300,000
31000-351100	Fund Balance		17,245,088		(1,583,000)	15,662,088	(1,583,000)
		Total	<u>25,625,088</u>	<u>1,300,000</u>	<u>(1,583,000)</u>	<u>25,342,088</u>	<u>(283,000)</u>
Expense							
31240-527500	DS-Revenue Bonds / Contractual Serv		564,590	20,000		584,590	20,000
31230-525830	Principal / Loan Agreement		2,949,000	263,000		3,212,000	263,000
31230-525430	Interest / Loan Agreement		5,806,000	2,600,000		8,406,000	2,600,000
		Total	<u>9,319,590</u>	<u>2,883,000</u>	-	<u>12,202,590</u>	<u>2,883,000</u>
Fund 41							
Revenue							
41000-441011	Administrative Fee / Misc.		39,042	3,933		42,975	3,933
41000-351100	Fund Balance		19,799	4,358	(24,157)	-	(19,799)
		Total	<u>58,841</u>	<u>8,291</u>	<u>(24,157)</u>	<u>42,975</u>	<u>(15,866)</u>
Expense							
41200-527500	General Gov / Contractual Serv		39,042	28,090		67,132	28,090
		Total	<u>39,042</u>	<u>28,090</u>	-	<u>67,132</u>	<u>28,090</u>

Staff recommend approval of the proposed FY26 Operating and CIP budget amendments to align the budget amounts with a net revenue increase of \$2,278,440 and a net expense decrease of \$4,311,603.

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-26-3

1 RESOLUTION

**2 AMENDMENT TO THE APPROVED OPERATING AND CAPITAL IMPLEMENTATION
3 PROGRAM BUDGETS OF THE ALBUQUERQUE BERNALILLO COUNTY WATER
4 UTILITY AUTHORITY FOR THE FISCAL YEAR ENDING JUNE 30, 2026**

5 WHEREAS, requirements established under Section 2-1-8, 2006, provide for
6 amendments to the approved budget for the Fiscal Year ending June 30, 2026, that were
7 previously approved under R-25-19; and

8 WHEREAS, updated financial activity and operational needs during the Fiscal Year
9 ending June 30, 2026, require adjustments to ensure that current budgeted amounts
10 accurately reflect projected revenues and expenditures; and

11 WHEREAS, appropriations for the Fiscal Year ending June 30, 2026, require an
12 amendment to align the approved budget amounts resulting in a net fund balance and
13 revenue increase of \$2,278,440 and a net expense decrease of \$4,311,603; now
14 BE IT RESOLVED BY THE WATER AUTHORITY:

15 Section 1: That the adjustments are stated below and are hereby made

16 General Fund (21)

17	Investment and Interest Income	2,500,000
18	Expense	2,500,000

18 Water 3130 Fund (37):

20	Revenue – Loan Interest	25,000
21	Expense	(9,775,000)

22 Rehab Fund (28):

23	Revenue – Loan Interest	131,000
24	Expense	131,000

25 Growth Fund (29):

26	Revenue	(78,694)
27	Expense	(78,694)

[+Bracketed Material+] - New
[-Bracketed Material-] - Deletion

1	Revenue	(283,000)
2	Expense	2,883,000
3	<u>San Juan-Chama Contractors Association Fund (41):</u>	
4	Revenue	(15,866)
5	Expense	28,090
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		Total	58,841	8,291	(24,157)	42,975	(15,866)
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		Total	39,042	28,090	-	67,132	28,090
			Revenue	2,278,440			
			Expense	(4,311,603)			