



January 13, 2025

Dear FRWMB,

I am pleased to present a summary of financial performance and budget outcomes for the reporting periods from August 2022 through September 2024. These analyses highlight the organization's prudent fiscal management, efficient resource utilization, and strong operational oversight.

Revenue Performance

Revenue consistently exceeded budgeted expectations throughout the reporting periods, reflecting the organization's ability to leverage diverse income streams and effectively manage revenues. Key highlights include:

- **FY 2022:** Total revenue of \$119,750, derived from Tribal and State contributions, water application fees, and an unbudgeted surplus.
- **FY 2023:** Total revenue of \$602,709.58, exceeding the budget by \$102,709.58, driven by surplus carryovers and unbudgeted fee income.
- **FY 2024:** Total revenue of \$1,514,666.89, surpassing the budget by \$188,666.89, with contributions from Tribal and State entities, water application fees, and investment income.

Expense Management

Expenditures remained consistently under budget, demonstrating effective cost control and resource allocation. Notable variances included:

- **Wages and Fringe:** Significant savings due to unfilled positions, including the Hydro-Geologist and Administrative Assistant roles, with underspending exceeding \$343,000 in FY 2024.
- **Contract Services:** Legal fees and Board Director pay were consistently below projections, contributing to savings of \$46,436.29 in FY 2024.
- **Facilities and Equipment:** Major underspending on equipment and facilities across all periods, aligning with operational priorities.

Net Surplus and Financial Impact

Strong revenue performance and disciplined expense management resulted in substantial surpluses:

- **FY 2022:** A surplus of \$78,804.83 due to unbudgeted revenues and lower-than-anticipated costs.
- **FY 2023:** A surplus of \$156,243.88, reversing a projected deficit and driven by unbudgeted revenues and cost savings.
- **FY 2024:** A record surplus of \$888,561.72, reflecting higher revenue and significant underspending across multiple categories.
-



Closing Remarks

These financial outcomes underscore the organization's commitment to fiscal responsibility and its ability to adapt to changing economic conditions. The surpluses generated provide a strong foundation for future initiatives and reinforce the organization's long-term financial stability.

Should you require additional details or clarification, I would be delighted to provide further insights or schedule a meeting to discuss these results. Thank you for your attention and consideration.

Sincerely,

Tina Begay, CEO