

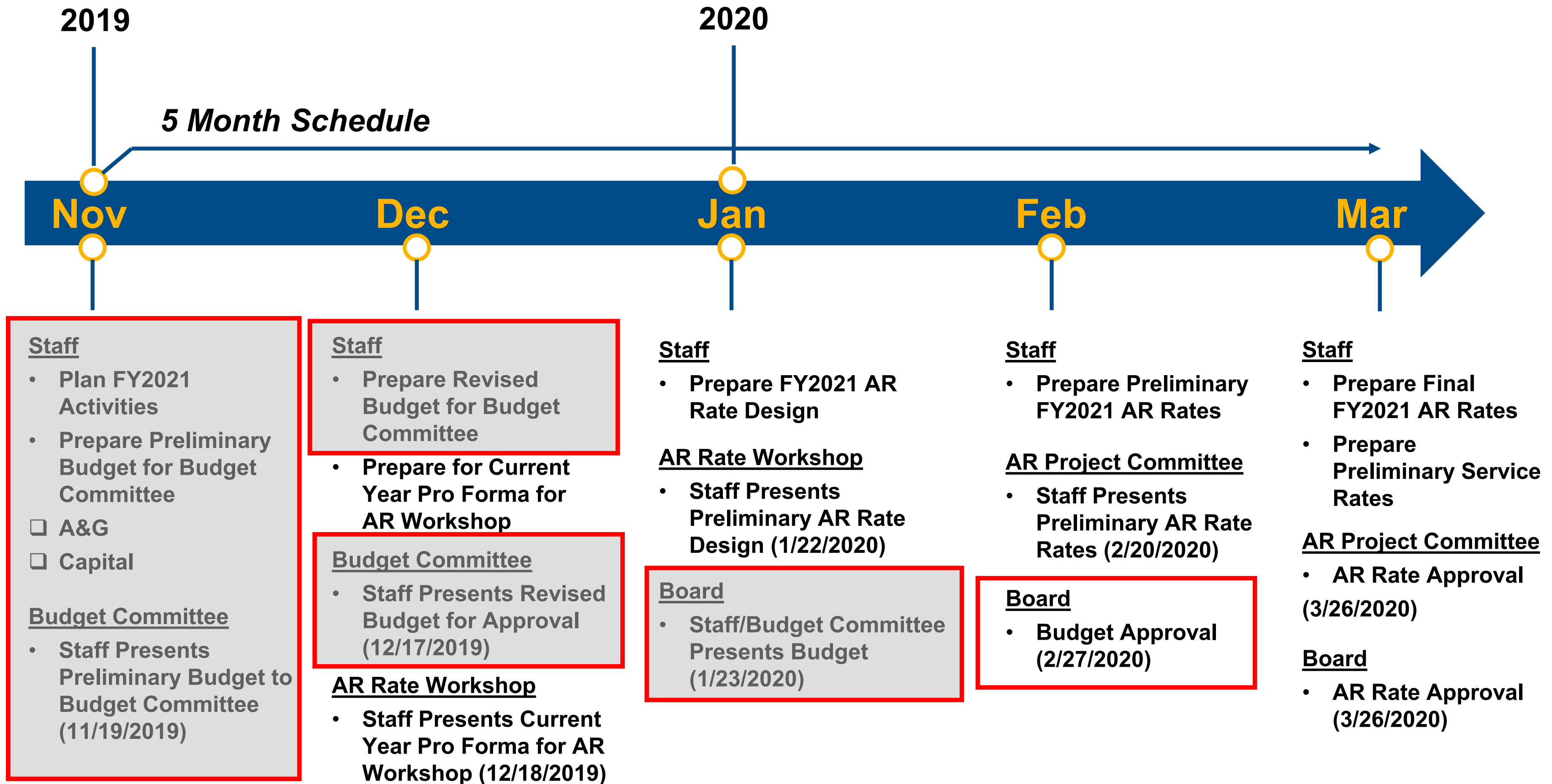


FY2021 Operating and Capital Budget

KYMEA BOARD Presentation ***For Board Action***

February 27, 2020

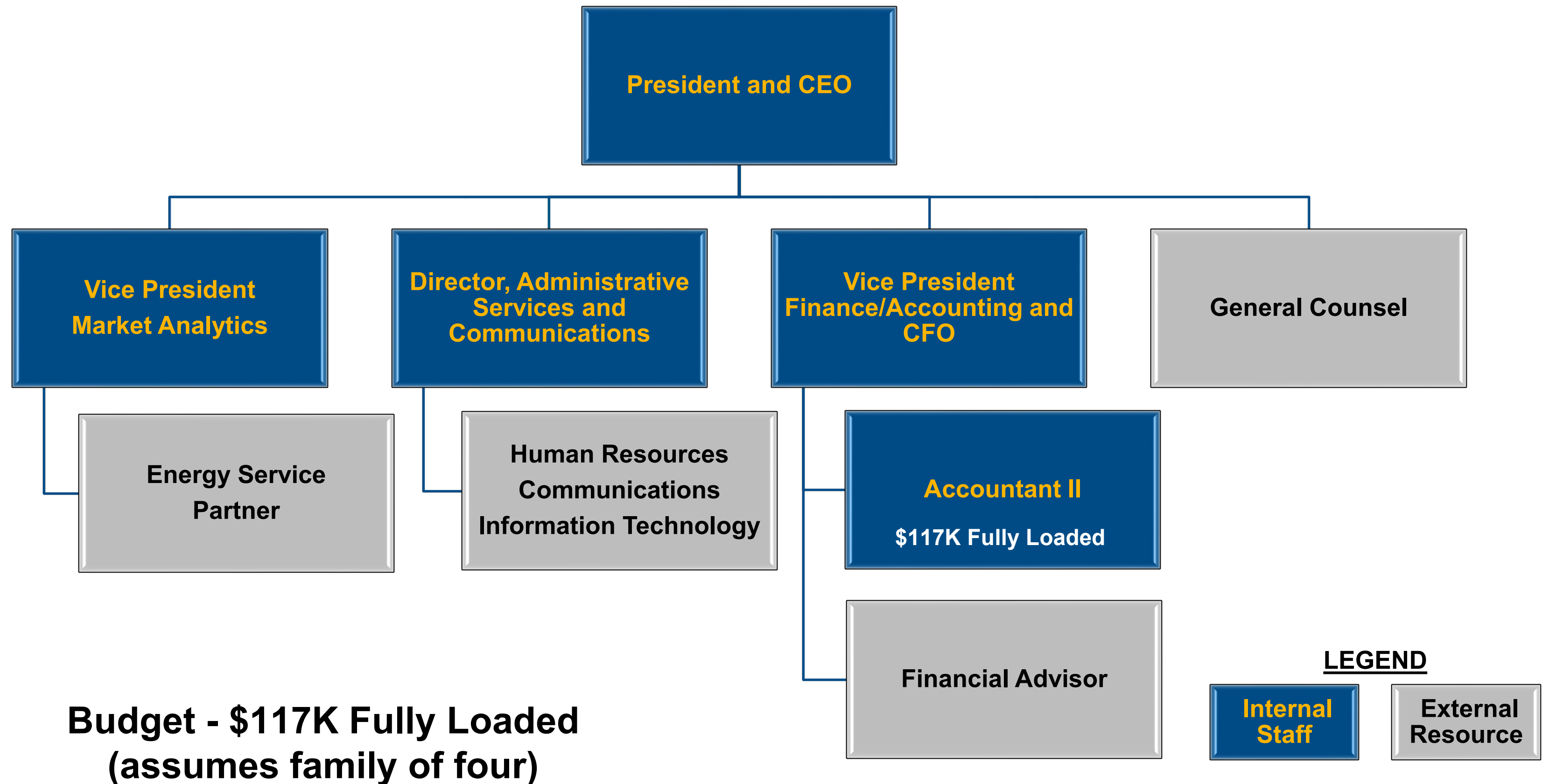
FY2021 Budget Process



Budget – Dispatch, Scheduling, Modeling

Dispatch, Scheduling, Modeling	FY2020	FY2021	Notes
1400. Energy Services Partner			
1400.01 ACES - Standard Service	\$ 456,140	\$ 469,220	24-Hour Service/Support
1400.02 ACES - Additional Services	\$ 108,615	\$ 57,587	Congestion/model runs
1400.03 ACES - Additional RTOs	\$ 80,000	\$ 41,402	PJM
1400.04 Front/Middle/Back Office Services	\$ 144,900	\$ 40,719	Market accounts, ISDA support
1400.05 Back-Up Server	\$ -	\$ 4,200	ACES Back-Up Server Fee
Energy Services Partner	\$ 789,655	\$ 613,129	
1500. MAC Software, Data, Training, Studies, Subscriptions			
1500.01 MAC Software	\$ 47,500	\$ 43,981	Optimization, Load Forecasting
1500.02 Data and Market Intelligence	\$ 45,500	\$ 36,360	Data and market intelligence
1500.03 RTO Membership Fee	\$ 5,000	\$ 5,000	PJM Fee
1500.04 Training	\$ 22,000	\$ 17,600	Training and Fees
1500.05 Studies/Support	\$ 40,519	\$ 85,000	Optimization, Load Forecasting
MAC Software, Data, Training, Studies, and Subscriptions	\$ 160,519	\$ 187,941	
1600. MDMS/Communications/Meters			
1600.01 Annual License/Maintenance	\$ 82,203	\$ 68,461	Schneider MDMS, SQL
1600.02 Communications	\$ 26,110	\$ 8,555	Verizon
1600.03 Engineering Support/Meter Testing	\$ 13,599	\$ 44,000	P&D Engineering
MDMS/Communications/Meters	\$ 121,912	\$ 121,016	
Subtotal Dispatch, Scheduling, Modeling	\$ 1,072,086	\$ 922,086	\$150,000 decrease (14%)
		\$ (150,000)	
		-14.0%	

FY2021 One Additional Staff



Finance/Accounting Staff Needs

Accountant II

Supports VP, Finance/Accounting & CFO

- Accounts Payable
- Bank Accounts
- Journal Entries
- Audit and 1099s
- Unclaimed Property
- Document Retention

Accountant II Hiring Plan

Hiring Plan

- Zip Recruiter
- College Grads
- APPA Job Posting
- ✓ Looking for someone to help with accounting/finance
- ✓ Also looking for a strong analyst with the ability to wear many hats

Budget – Administrative & General

Total Operational Costs					
Administration/Advisory/Projects		FY2020	FY2021	Notes	
100	Salaries, Benefits, Retirement, Accrued PTO	\$ 1,108,091	\$ 1,356,371	Market Adjustment + Accountant II	
200	Legal Counsel	\$ 96,000	\$ 117,000	Slightly increased number of hours	
300	Advisory Support	\$ 397,056	\$ 164,300	Decreased number of hours	
400	Office Space Lease & Costs	\$ 165,000	\$ 175,478	Scheduled increase + lease accounting	
500	Member Services, Board Meetings, Training	\$ 119,643	\$ 129,000	Increase for strategic/legislative goals	
600	Auto Expense	\$ 10,702	\$ 13,808	Better estimate based on actuals	
700	IT/AV/Software	\$ 107,148	\$ 133,427	Updated with IT Service and SEDC	
800	Insurance	\$ 9,491	\$ 14,303	Better estimate based on actuals	
900	Advertising & Marketing	\$ 19,400	\$ 17,612	Better estimate based on actuals	
1000	Audit & Annual Report	\$ 55,000	\$ 55,840	Little change	
1100	Rating Agency	\$ 10,000	\$ 30,000	Fitch + Moody's and S&P	
1200	Associations & Lobbyist	\$ 29,150	\$ 57,780	Added TAPS	
1300	Project Planning	\$ 75,000	\$ 72,000	Transmission Studies + Retreat	
Subtotal Administration/Advisory/Projects		\$ 2,201,680	\$ 2,336,920	\$135,240 increase (6.1%)	
			\$ 135,240		

Note: Accountant II position is included in Budget, but position will not be filled until Board approval at a later date.

Total Operating Budget

Total Operational Costs

Administration/Advisory/Projects		FY2020	FY2021	Variance	
100	Salaries, Benefits, Retirement, Accrued PTO	\$ 1,108,091	\$ 1,356,371	\$ 248,280	Market Adjustment + Accountant II
200	Legal Counsel	\$ 96,000	\$ 117,000	\$ 21,000	Slightly increased number of hours
300	Advisory Support	\$ 397,056	\$ 164,300	\$ (232,756)	Decreased number of hours
400	Office Space Lease & Costs	\$ 165,000	\$ 175,478	\$ 10,478	Scheduled increase + lease accounting
500	Member Services, Board Meetings, Training	\$ 119,643	\$ 129,000	\$ 9,357	Increase for strategic/legislative goals
600	Auto Expense	\$ 10,702	\$ 13,808	\$ 3,107	Better estimate based on actuals
700	IT/AV/Software	\$ 107,148	\$ 133,427	\$ 26,279	Updated with IT Service and SEDC
800	Insurance	\$ 9,491	\$ 14,303	\$ 4,813	Better estimate based on actuals
900	Advertising & Marketing	\$ 19,400	\$ 17,612	\$ (1,788)	Better estimate based on actuals
1000	Audit & Annual Report	\$ 55,000	\$ 55,840	\$ 840	Little change
1100	Rating Agency	\$ 10,000	\$ 30,000	\$ 20,000	Fitch + Moody's and S&P
1200	Associations & Lobbyist	\$ 29,150	\$ 57,780	\$ 28,630	Added TAPS
1300	Project Planning	\$ 75,000	\$ 72,000	\$ (3,000)	Transmission Studies + Retreat
Subtotals - Administration/Advisory/Projects		\$ 2,201,680	\$ 2,336,920	\$ 135,240	
Dispatch, Scheduling, Modeling					
1400	Energy Services Partner	\$ 789,655	\$ 613,129	\$ (176,526)	Less ACES studies
1500	MAC Software, Data, Training, Studies, and Subscriptions	\$ 160,519	\$ 187,941	\$ 27,422	Increase for Load Forecasting
1600	MDMS/Communications/Meters	\$ 121,912	\$ 121,016	\$ (896)	Better estimate based on actuals
Subtotals - Dispatch, Scheduling, Modeling		\$ 1,072,086	\$ 922,086	\$ (150,000)	
Total Budget		\$ 3,273,766	\$ 3,259,006	\$ (14,760)	0.5% Under over FY2020 Budget
			\$ (14,760)		

FY2021 Capital Budget

- Capital Budget Needs (\$100,000)
- IT Equipment - \$25,000
- Transmission Contingency
 - Delivery Equipment - \$75,000

No Change from FY2020 Capital Budget

Board Action

Board Requested Action

- **The Budget Committee and Staff recommends the Board approve the FY2021 Operating and Capital Budget.**