



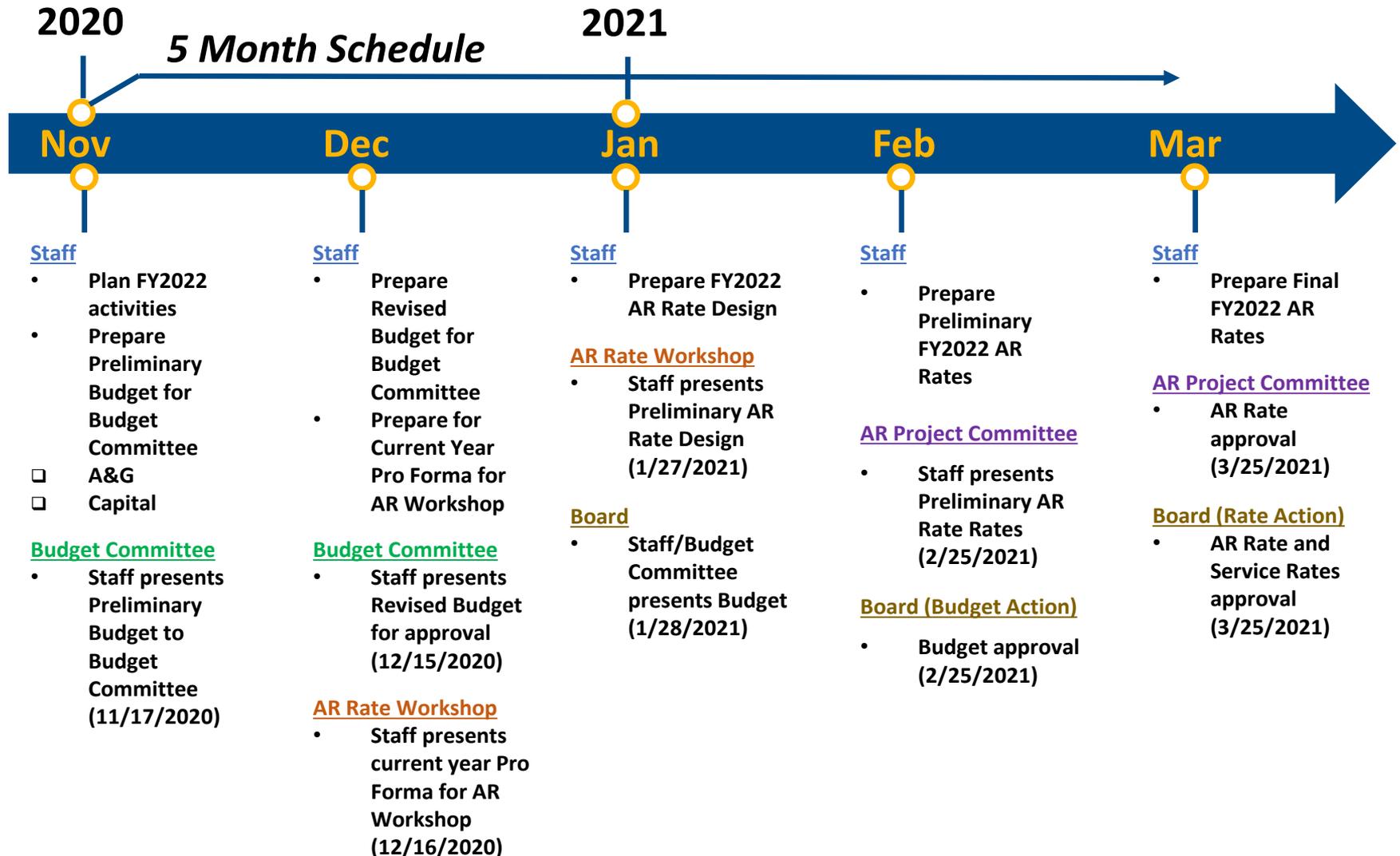
KENTUCKY MUNICIPAL ENERGY AGENCY



# A&G and Capital Budget Discussion

January 28, 2021

# FY2022 Budget and Rates Schedule



# Administration/Advisory/Projects



<b>FY2022 Total Operational Costs</b>							
	<b>Administration/Advisory/Projects</b>	<b>FY2021 Budget</b>	<b>FY2022 Budget</b>	<b>Variance \$</b>	<b>Variance %</b>		
						<b>6 Month Actual</b>	<b>% of FY2021</b>
100	Salaries	947,014	857,182	(89,832)	-9.5%	377,617	39.9%
	Retirement Contribution	94,701	85,718	(8,983)	-9.5%	37,762	39.9%
	Health, Life, Disability, FICA, Medicare, Accrued PTO	314,826	315,149	324	0.1%	146,064	46.4%
200	Legal Counsel	117,000	135,000	18,000	15.4%	58,685	50.2%
300	Advisory Support	164,300	164,300	-	-	87,261	53.1%
400	Office Space Lease & Costs	175,478	180,743	5,265	3.0%	82,456	47.0%
500	Member Services, Board Meetings, Training	129,000	129,000	-	-	10,517	8.2%
600	Auto Expense	13,808	13,808	-	-	3,752	27.2%
700	IT/AV/Software	133,427	133,427	-	-	68,665	51.5%
	IT/Software for Pseudo-Tie	-	99,552	99,552	-	-	0.0%
800	Insurance	14,303	12,800	(1,503)	-10.5%	5,765	40.3%
900	Advertising & Marketing	17,612	11,100	(6,512)	-37.0%	3,361	19.1%
1000	Audit & Annual Report	55,840	55,840	-	-	44,317	79.4%
1100	Rating Agency	30,000	10,000	(20,000)	-66.7%	-	0.0%
1200	Associations & Lobbyist	57,780	57,780	-	-	700	1.2%
1300	Project Planning	72,000	72,000	-	-	33,508	46.5%
	<b>Subtotals - Administration/Advisory/Projects</b>	<b>2,337,090</b>	<b>2,333,401</b>	<b>(3,689)</b>	<b>-0.2%</b>	<b>960,428</b>	<b>41.1%</b>

# Dispatch, Scheduling, Modeling

<b>FY2022 Total Operational Costs</b>								
<b>Dispatch, Scheduling, Modeling</b>		<b>FY2021 Budget</b>	<b>FY2022 Budget</b>	<b>Variance \$</b>	<b>Variance %</b>		<b>6 Month Actual</b>	<b>% of FY2021</b>
1400	Energy Services Partner	613,129	632,916	19,787	3.2%		271,958	44.4%
1500	MAC Software, Data, and Subscriptions	187,941	187,941	-	-		55,924	29.8%
1600	MDMS/Communications/Meters/Pseudo-Tie	121,016	121,017	0	0.0%		13,775	11.4%
	Fees/Engineering/Communications for Pseudo-Tie	-	306,000	306,000	0.0%		-	0.0%
	<b>Subtotals - Dispatch, Scheduling, Modeling</b>	<b>922,086</b>	<b>1,247,873</b>	<b>325,787</b>	<b>35.3%</b>		<b>341,657</b>	<b>37.1%</b>

# Service Fees

<b>FY2022 Total Operational Costs</b>						
<b>Service Fees (Benham, Berea, Owensboro)</b>	<b>FY2021 Budget</b>	<b>FY2022 Budget</b>	<b>Variance \$</b>	<b>Variance %</b>		
Membership Fee	(111,347)	(111,347)	-	-	(55,673)	50.0%
Transmission Service + Energy Carrying Charge	(73,930)	(73,930)	-	-	(36,965)	50.0%
Dispatch/MAC Service	(200)	(200)	-	-	(77)	38.7%
Resource Planning Service	(26,403)	-	26,403	-100.0%	(13,202)	50.0%
	<b>(211,879)</b>	<b>(185,476)</b>	<b>26,403</b>	<b>-12.5%</b>	<b>(105,917)</b>	<b>50.0%</b>
<b>All Requirements Group - Net Service Fees</b>	<b>3,047,297</b>	<b>3,395,799</b>	<b>348,502</b>	<b>11.4%</b>	<b>1,196,168</b>	<b>39.3%</b>

## SERVICE FEES

*Contra-Accounts* - Decrease of \$26,403 under FY2021. No resource planning fees expected in FY2022.

- Membership Fee remains at 12¢ per kWh.
- Dispatch Service Fee remains at 45¢ per kWh.
- Transmission Service Fee remains at 38¢ per kWh.
- Energy Carrying Charge remains at 18¢ per kWh.
- Resource Planning Service Fee remains at 20¢ per kWh.

# Pseudo-Tie Expenses

<b>FY2022 Total Operational Costs</b>								
<b>Pseudo-Tie Summary</b>		<b>FY2021 Budget</b>	<b>FY2022 Budget</b>	<b>Variance \$</b>	<b>Variance %</b>		<b>6 Month Actual</b>	<b>% of FY2021</b>
700	IT/Software for Pseudo-Tie	-	99,552	99,552	-			
1600	Fees/Engineering/Communications for Pseudo-Tie	-	306,000	306,000	-			
		-	405,552	405,552	-			
	<b>AR Group - Net Service Fees <u>without</u> Pseudo-Tie</b>	<b>3,047,297</b>	<b>2,990,247</b>	<b>(57,050)</b>	<b>-1.9%</b>			
	<b>AR Group - Net Service Fees <u>with</u> Pseudo-Tie</b>	<b>3,047,297</b>	<b>3,395,799</b>	<b>348,502</b>	<b>11.4%</b>			

# Capital Budget

## CAPITAL BUDGET

\$250,000. Same as FY2021 Budget. The FY2021 Budget was increased by the Board at the December 29, 2020 Board meeting (\$100,000 was increased to \$250,000). Supports pseudo-tie and dynamic scheduling hardware, software, and communications requirements.