

# WECC

## Draft 2019 Business Plan and Budget

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# 2019 Statutory Budget Overview

- Budget decreases \$147K (0.54%)
- Assessments held flat
- Headcount held flat

# 2019 Draft Budget by Category

	2019 Budget	2018 Budget	Variance \$ Incr(Decr)	Variance % Incr(Decr)	Primary Drivers
<b>Funding</b>					
Assessments	\$ 25,282,000	\$ 25,282,000	\$ -	0.0%	
Penalties	587,686	2,100,000	(1,512,314)	-72.0%	Confirmed violations approved by FERC and collected
Other Income	544,500	615,050	(70,550)	-11.5%	Fine-tuned outreach event attendance and interest adjustments
<b>Total Funding</b>	<b>\$ 26,414,186</b>	<b>\$ 27,997,050</b>	<b>\$ (1,582,864)</b>	<b>-5.7%</b>	
<b>Expenses</b>					
Personnel Expenses	\$ 20,516,231	\$ 19,871,269	\$ 644,962	3.2%	3% merit pool, labor float adj, refined tax/benefit rates
Meeting Expenses	2,107,421	2,231,994	(124,573)	-5.6%	Fine-tuned outreach event attendance
Operating Expenses <sup>1</sup>	4,731,758	5,470,080	(738,322)	-13.5%	One time Gas/Electric Interdependence study completed
Indirect Expenses	(532,909)	(545,300)	12,391	-2.3%	
<b>Total Expenses</b>	<b>\$ 26,822,501</b>	<b>\$ 27,028,043</b>	<b>\$ (205,542)</b>	<b>-0.8%</b>	
<b>Fixed Assets<sup>1</sup></b>	<b>\$ 128,065</b>	<b>\$ 69,301</b>	<b>\$ 58,764</b>	<b>84.8%</b>	Refresh cycle of computer, server and other equipment
<b>Total Budget</b>	<b>\$ 26,950,566</b>	<b>\$ 27,097,344</b>	<b>\$ (146,778)</b>	<b>-0.5%</b>	
<b>Change in Working Capital</b>	<b>\$ (536,380)</b>	<b>\$ 899,706</b>	<b>\$ (1,436,086)</b>		
<b>FTES</b>	<b>143.00</b>	<b>143.00</b>	<b>0.00</b>	<b>0.0%</b>	

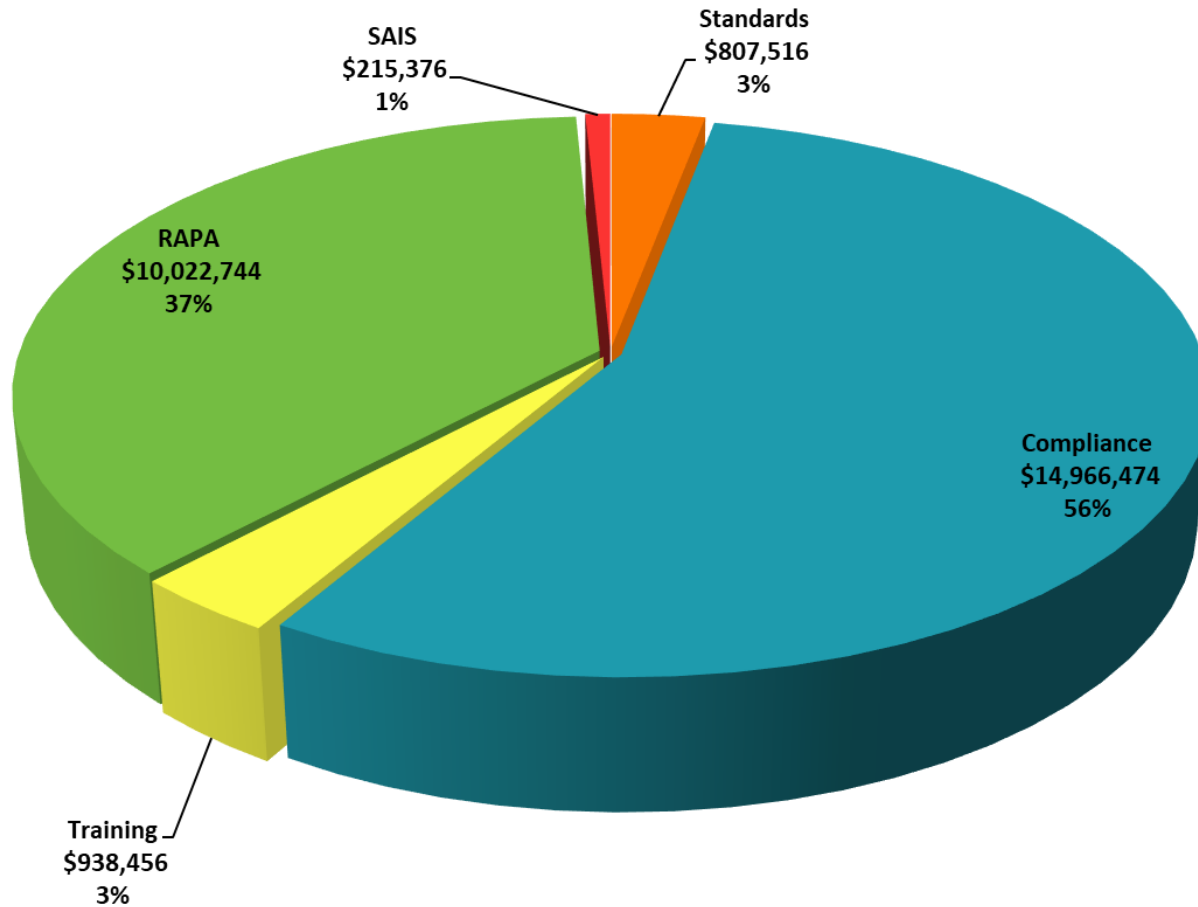
<sup>1</sup> Depreciation excluded from these values

# 2018 – 2019 FTE Comparison

Total FTEs by Program Area	Budget	Projection	Direct FTEs	Shared	Total FTEs	Change
	2018	2018	2019 Budget	FTEs* 2019 Budget	2019 Budget	from 2018 Budget
<b>STATUTORY</b>						
<b>Operational Programs</b>						
Reliability Standards	3.0	2.8	3.0	0.0	3.0	-
Compliance Monitoring and Enforcement and Organization Registration and Certification	59.0	58.5	60.0	0.0	60.0	<b>1.0</b>
Reliability Assessment and Performance Analysis	38.0	37.5	39.0	0.0	39.0	<b>1.0</b>
Training and Outreach	1.3	2.0	2.0	0.0	2.0	<b>0.7</b>
Situation Awareness and Infrastructure Security	1.0	1.0	1.0	0.0	1.0	-
<b>Total FTEs Operational Programs</b>	<b>102.3</b>	<b>101.8</b>	<b>105.0</b>	<b>0.0</b>	<b>105.0</b>	<b>2.7</b>
<b>Corporate Services</b>						
Technical Committees and Member Forums	0.0	0.0	0.0	0.0	0.0	-
General & Administrative	16.75	16.5	17.05	0.0	17.05	<b>0.30</b>
Legal and Regulatory	7.0	6.0	6.0	0.0	6.0	<b>(1.0)</b>
Information Technology	8.7	8.7	8.7	0.0	8.7	-
Human Resources	4.0	3.0	3.0	0.0	3.0	<b>(1.0)</b>
Finance and Accounting	4.25	2.9	3.25	0.0	3.25	<b>(1.0)</b>
<b>Total FTEs Corporate Services</b>	<b>40.7</b>	<b>37.1</b>	<b>38.0</b>	<b>0.0</b>	<b>38.0</b>	<b>(2.7)</b>
<b>Total FTEs</b>	<b>143.0</b>	<b>138.9</b>	<b>143.0</b>	<b>0.0</b>	<b>143.0</b>	<b>-</b>

\* A shared FTE is defined as an employee who performs both Statutory and Non-Statutory functions.

# 2019 Budget by Program Area



# Statutory Working Capital Reserves

- Reserves decrease \$536K
- Reserve policy
  - Current policy is range of 1 to 3 months of OpEx
  - For assessment stabilization in future years
- Projected 2019 EOY balance of \$5.3 million

# 2020 and 2021 Statutory Budget

- 2020 projection
  - Budget increases \$898,000 (3.3%)
  - Assessments increase \$253,000 (1.0%)
  - No additional FTE
  - Personnel Expenses increase \$639,000 (3.1%)
  - Consulting increases \$195,000 (15.1%)
  - Rent increases \$127,000 (13.1%)
- 2021 projection
  - Budget increases \$184,000 (0.7%)
  - Assessments increase \$255,000 (1%)
  - No additional FTE
  - Personnel Expenses increase \$659,000 (3.1%)
  - Consulting decreases \$445,000 (29.9%)

# Q&A

