



SEVENTY-FIVE YEARS OF
RELIABILITY THROUGH RELATIONSHIPS

2018 Business Plan & Budget

Approved by the RE Trustees on June 30, 2017

Debbie Currie

RE Manager of Regulatory Interface and Process Improvement

2018 Budget by Category

	2017 Budget	2018 Budget	Variance Over (Under)	
			\$	%
<u>Expenses</u>				
Personnel	\$ 5,254,791	\$ 5,268,929	\$ 14,138	0.3%
Meeting	657,000	558,500	\$ (98,500)	-15.0%
Operating	1,242,810	1,320,088	\$ 77,278	6.2%
SPP Inc. Indirect Expenses	3,710,910	3,645,678	\$ (65,232)	-1.8%
Total Expenses	\$ 10,865,511	\$ 10,793,195	\$ (72,316)	-0.7%
Inc(Dec) in Fixed Assets	\$ -	\$ -	\$ -	0.0%
TOTAL BUDGET	\$ 10,865,511	\$ 10,793,195	\$ (72,316)	-0.7%
FTEs	33.25	32.30	(0.95)	-2.9%

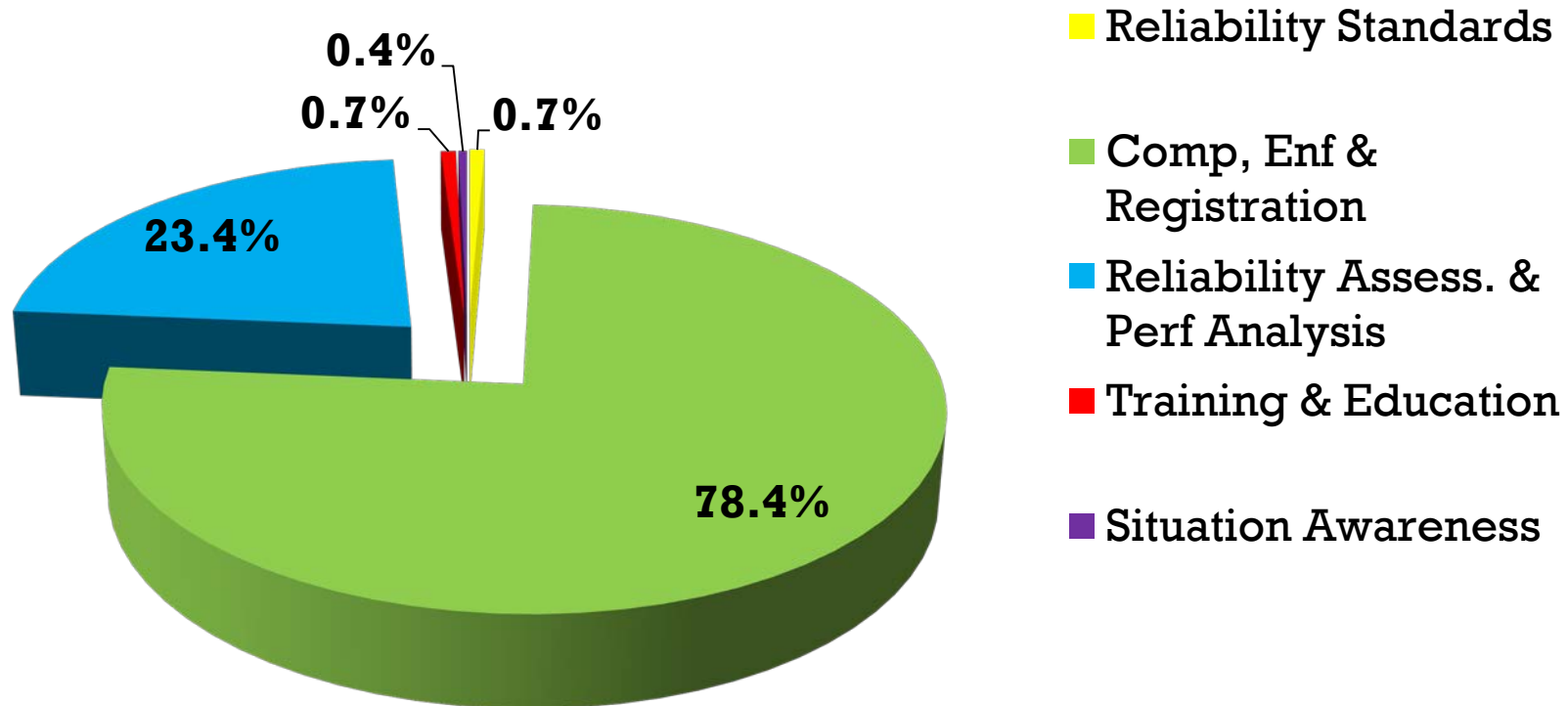
2017-2018 FTE Comparison

Total FTEs by Program Area	Budget 2017	Projection 2017	Direct FTEs 2018 Budget	Shared FTEs ¹ 2018 Budget	Total FTEs 2018 Budget	Change from 2017 Budget
STATUTORY						
Operational Programs						
Reliability Standards	0.13	0.13	0.13	0.00	0.13	0.00
Compliance and Organization Registration and Certification	21.75	21.75	21.75	0.00	21.75	0.00
Training and Education	0.00	0.00	0.00	0.00	0.00	0.00
Reliability Assessment and Performance Analysis	6.75	6.75	1.50	4.30	5.80	-0.95
Situation Awareness and Infrastructure Security	0.13	0.13	0.13	0.00	0.13	0.00
Total FTEs Operational Programs	28.75	28.75	23.50	4.30	27.80	-0.95
Administrative Programs						
Technical Committees and Member Forums	0.00	0.00	0.00	0.00	0.00	0.00
General & Administrative	4.50	4.50	4.50	0.00	4.50	0.00
Information Technology	0.00	0.00	0.00	0.00	0.00	0.00
Legal and Regulatory	0.00	0.00	0.00	0.00	0.00	0.00
Human Resources	0.00	0.00	0.00	0.00	0.00	0.00
Finance and Accounting	0.00	0.00	0.00	0.00	0.00	0.00
Total FTEs Administrative Programs	4.50	4.50	4.50	0.00	4.50	0.00
Total FTEs	33.25	33.25	28.00	4.30	32.30	-0.95

¹A shared FTE is defined as an employee who performs both Statutory and Non-Statutory functions.

Budget By Program Area

SPP RE Budget- \$10.8 Million



2018 Statutory Budget Overview

- Total budget decrease \$72k (0.7%)
- Assessments (7% increase)
 - Penalty Payment Decline
 - Stabilization of SPP, Inc. Charge
- Headcount
 - Decreases of 0.95 FTE

Major Budget Impacts

- **Personnel Costs and Assumptions**
 - 28 Direct RE Staff; 4.3 Shared Staff; 32.30 FTEs
 - 0.95 FTE decrease in RAPA program area
 - 12-18 month known assessment and special study schedule
 - Alignment with historical manpower requirements
 - 4% average salary increase (merit, market adjustments)
 - 5% attrition rate; same as 2017
 - Stable benefits costs (medical, dental, retirement)

Major Budget Impacts, Continued

- **Contracts and Consultants**
 - Audit schedule
 - Completion of RAPA Program major IT Project
- **Professional Services**
 - 4th Trustee
- **Travel Costs**
 - Alignment with historic spending

2018 Assessments

- 7% assessment increase
- No working capital
- No separate assessment stabilization reserve
- Assessment stabilization managed year to year

2019 and 2020 Projections

- 2019
 - Total budget increase of \$324k or 3%
 - Total assessments of \$11.1M
 - Salary and Inflationary Cost Increases of 3%
- 2020
 - Total budget increase of \$334k or 3%
 - Total assessments of \$11.5M
 - Salary and Inflationary Cost Increases of 3%



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