2012 SPP RE BUDGET TRUE-UP ACTIVITIES

April 29, 2013

SPP RE Trustees Meeting
Kansas City, MO

Ron Ciesiel

SPP RE General Manager

SPP Southwest Power Pool Regional Entity

Changes to January 2013 Presentation

- **Total** **-$2,595K to -$1,858K**

- **Personnel Expenses** **-$647K to -$573K**
  - Adjustments to SPP RE performance pay plan & final adjustments to SPP benefits plans

- **Operating Expenses** **-$982K to -$776K**
  - Late invoices from contractors and consultants that were not properly accrued in year-end activities
    - We are enhancing our oversight in this area through internal training activities to assure this magnitude of variance is not repeated

- **SPP, Inc. Indirect Expenses** **-$682K to -$230K**
  - SPP, Inc. increased overhead charge from $67.35 to $75.38 per hour
    - Move to new campus/increased services

Questions/Comments

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Southwest Power Pool
Regional Entity
Statement of Activities
From 1/1/2012 through 12/31/2012

(In Whole Dollars)	2012 DECEMBER YTD ACTUAL AS OF 1/28/13	2012 DECEMBER YTD BUDGET	VARIANCE	2012 FULL YEAR ACTUAL TRUE-UP	2012 DECEMBER YTD BUDGET	VARIANCE
Funding						
ERO Funding	9,851,647	9,851,647	-	9,851,647	9,851,647	-
Penalty Sanctions	200,920	200,920	-	200,920	200,920	-
Total SPP RE Funding	**10,052,567**	**10,052,567**	**-**	**10,052,567**	**10,052,567**	-
Testing Fees	-	-	-	-	-	-
Workshops	-	-	-	-	-	-
Interest	1,294	-	1,294	1,294	-	1,294
Miscellaneous	-	-	-	-	-	-
Total Funding	**10,053,861**	**10,052,567**	**1,294**	**10,053,861**	**10,052,567**	**1,294**
Expenses						
Personnel Expenses						
Salaries	3,207,292	3,820,690	(613,398)	3,266,019	3,820,690	(554,671)
Payroll Taxes	216,881	241,364	(24,483)	216,698	241,364	(24,666)
Benefits	247,461	236,154	11,307	261,733	236,154	25,579
Retirement Costs	136,334	156,335	(20,001)	136,715	156,335	(19,620)
Total Personnel Expenses	**3,807,969**	**4,454,543**	**(646,574)**	**3,881,165**	**4,454,543**	**(573,378)**
Meeting Expenses						
Meetings	80,572	75,000	5,572	69,295	75,000	(5,705)
Travel	348,512	640,000	(291,488)	366,622	640,000	(273,378)
Conference Calls	-	-	-	-	-	-
Total Meeting Expenses	**429,084**	**715,000**	**(285,916)**	**435,917**	**715,000**	**(279,083)**
Operating Expenses						
Contracts & Consultants	593,401	1,421,500	(828,099)	727,923	1,421,500	(693,577)
Office Rent	-	-	-	-	-	-
Office Costs	-	2,500	(2,500)	7,877	2,500	5,377
Administrative Costs	14,875	-	14,875	-	-	-
Professional Services	177,021	343,000	(165,979)	254,710	343,000	(88,290)
Computer Purchase & Maint.	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Miscellaneous/ Contingency	-	-	-	-	-	-
Total Operating Expenses	**785,297**	**1,767,000**	**(981,703)**	**990,510**	**1,767,000**	**(776,490)**
Total Direct Expenses	**5,022,350**	**6,936,543**	**(1,914,193)**	**5,307,592**	**6,936,543**	**(1,628,951)**
SPP Inc. Indirect Expenses	3,792,584	4,474,099	(681,515)	4,244,526	4,474,099	(229,573)
SPP RE Indirect Expenses						
Total Indirect Costs	**3,792,584**	**4,474,099**	**(681,515)**	**4,244,526**	**4,474,099**	(229,573)
Total Expenses	**8,814,934**	**11,410,642**	**(2,595,708)**	**9,552,118**	**11,410,642**	**(1,858,524)**