

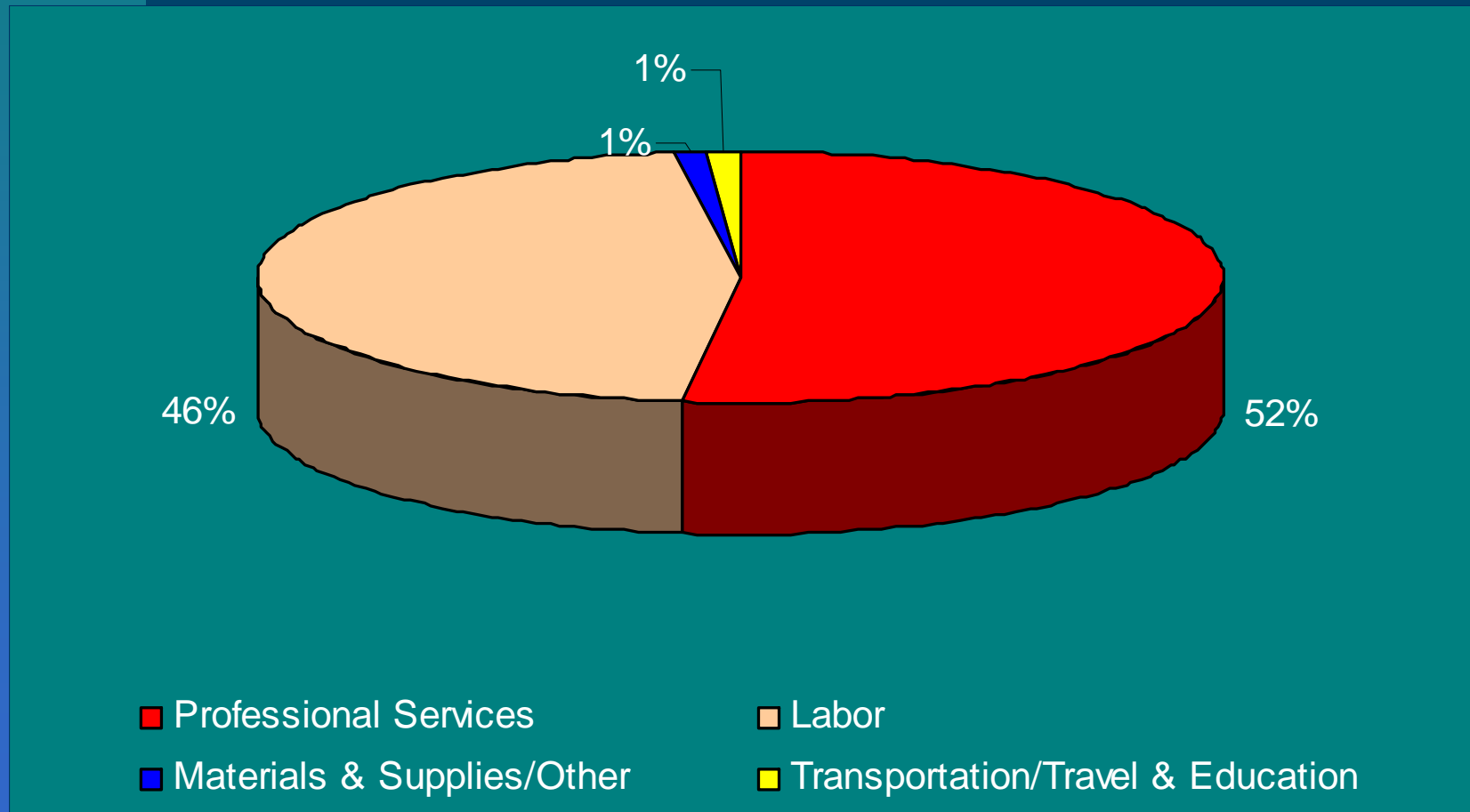
CHUGACH ELECTRIC ASSOCIATION, INC.
2006 Budget Review
Finance

Finance Committee Meeting
September 27, 2006

Finance

- ❖ Chief Financial Officer
- ❖ Accounting & Finance
- ❖ Administrative Services
- ❖ Environmental Engineering
- ❖ Member Services
- ❖ Regulatory Affairs

Chief Financial Officer 2006 Budget



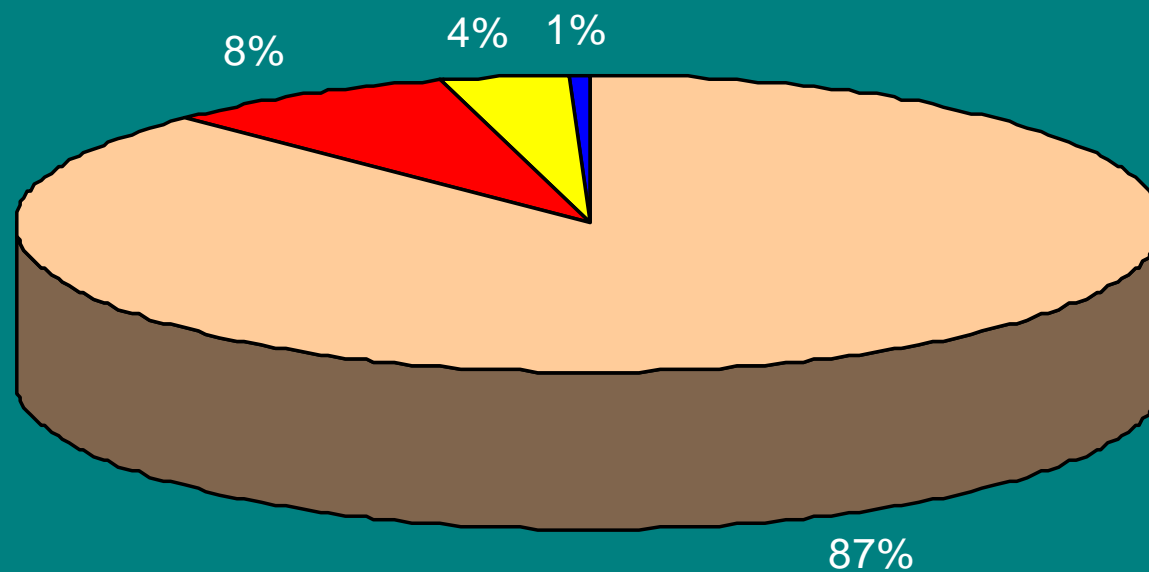
Chief Financial Officer

	2006 Budget	2006 Unbundled Budget G&T	2006 Unbundled Budget Dist	2005 Budget	2005 Actuals
Labor (2 positions)	\$226,290	\$108,618	\$117,672	\$235,140	\$249,339
Labor Including Fringe Benefits (32K - 194K)					
Material & Supplies/Other	6,200	2,976	3,224	6,200	8,847
Professional Services	256,688	123,209	133,479	145,588	167,998
Transporation/Travel & Education	5,290	2,539	2,751	7,280	11,729
Total	\$494,468	\$237,342	\$257,126	\$394,208	\$437,913

Chief Financial Officer 2006 YTD Budget vs Actual

	<u>YTD Budget August-06</u>	<u>YTD Actuals August-06</u>
Labor	\$148,003	\$171,527
Material & Supplies/Other	4,133	837
Professional Services	191,330	198,780
Transporation/Travel & Education	<u>3,870</u>	<u>2,976</u>
Total	\$347,336	\$374,120

Accounting & Finance 2006 Budget



■ Labor ■ Professional Services ■ Transportation/Other ■ Material & Supplies

Accounting & Finance

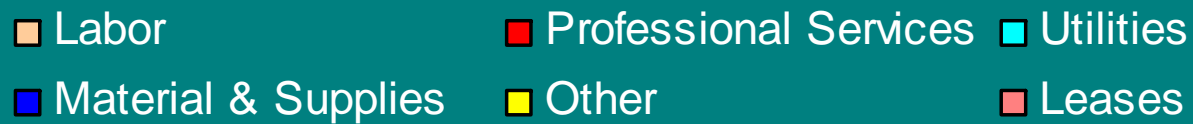
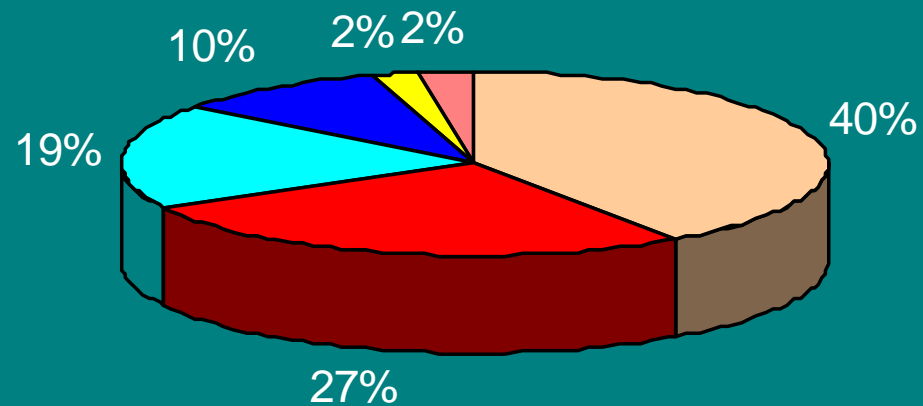
	<u>2006 Budget</u>	<u>2006 Unbundled Budget G&T</u>	<u>Dist</u>	<u>2005 Budget</u>	<u>2005 Actuals</u>
Labor (14 positions)	\$1,233,873	\$597,990	\$635,883	\$1,317,733	\$1,161,236
Labor Including Fringe Benefits (36K - 153K)					
Material & Supplies	8,550	4,104	4,446	8,550	7,200
Other	47,730	22,912	24,818	48,030	112,241
Professional Services	119,450	57,336	62,114	71,500	73,505
Transportation & Freight	2,000	960	1,040	2,000	3,187
Travel & Education	0	0	0	10,904	5,643
Total	\$1,411,603	\$683,302	\$728,301	\$1,458,717	\$1,363,012

Accounting & Finance

YTD Budget vs Actual

	<u>YTD Budget August-06</u>	<u>YTD Actuals August-06</u>
Labor	\$830,373	\$775,854
Material & Supplies	8,100	1,538
Other	31,997	31,661
Professional Services	76,728	112,186
Transporation & Freight	0	280
Travel & Education	0	2,469
Total	<u>\$947,198</u>	<u>\$923,988</u>

Administrative Services 2006 Budget



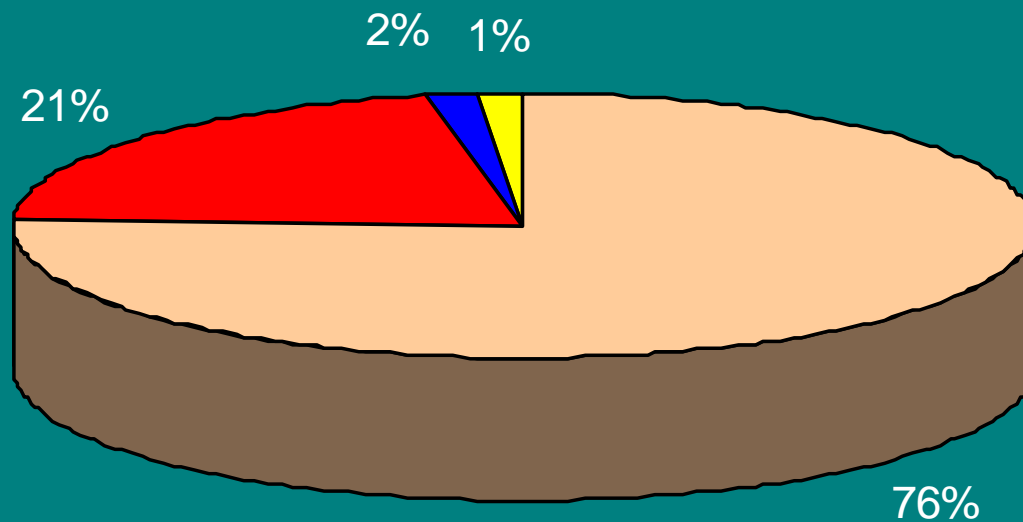
Administrative Services

	<u>2006 Budget</u>	<u>2006 Unbundled Budget G&T</u>	<u>2006 Unbundled Budget Dist</u>	<u>2005 Budget</u>	<u>2005 Actuals</u>
Labor (10 positions)	\$984,945	\$472,770	\$512,175	\$978,366	\$1,021,322
Labor Including Fringe Benefits (60K - 163K)					
Leases	59,220	28,425	30,795	45,600	45,608
Material & Supplies	236,683	113,607	123,076	243,877	204,492
Other	59,500	28,560	30,940	61,500	25,614
Professional Services	651,189	312,569	338,620	657,389	825,444
Travel & Education	0	0	0	11,475	3,261
Utilities	454,424	218,122	236,302	470,104	457,352
Total	\$2,445,961	\$1,174,053	\$1,271,908	\$2,468,311	\$2,583,093

Administrative Services YTD Budget vs Actual

	<u>YTD Budget August-06</u>	<u>YTD Actuals August-06</u>
Labor	\$660,198	\$616,940
Leases	39,480	44,647
Material & Supplies	158,028	123,358
Other	44,225	5,656
Professional Services	446,330	483,941
Travel & Education	0	2,601
Utilities	<u>302,947</u>	<u>260,387</u>
Total	\$1,651,208	\$1,537,530

Environmental Engineering 2006 Budget



- Labor
- Professional Services
- Materials & Supplies/Other
- Transportation & Freight

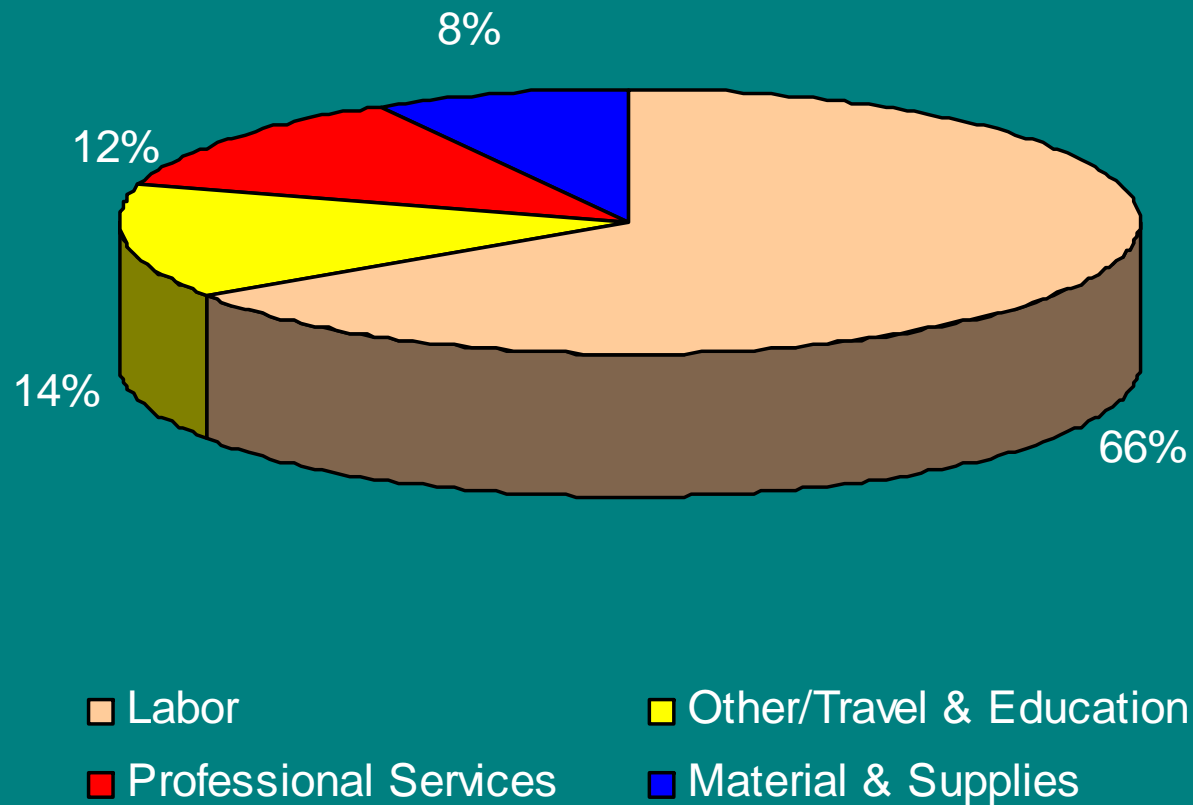
Environmental Engineering

	<u>2006 Budget</u>	<u>2006 Unbundled Budget G&T</u>	<u>2006 Unbundled Budget Dist</u>	<u>2005 Budget</u>	<u>2005 Actuals</u>
Labor (3 positions)	\$306,339	\$169,975	\$136,364	\$297,421	\$259,124
Labor Including Fringe Benefits (36K - 143K)					
Material & Supplies	3,090	1,715	1,375	3,090	1,205
Other	4,005	2,222	1,783	4,005	4,043
Professional Services	86,500	85,500	1,000	35,500	28,284
Transportation	5,230	5,230	0	5,230	7,104
Travel & Education	0	0	0	8,335	6,743
Total	\$405,164	\$264,642	\$140,522	\$353,581	\$306,503

Environmental Engineering 2006 YTD Budget vs Actual

	<u>YTD Budget August-06</u>	<u>YTD Actuals August-06</u>
Labor	\$201,670	\$170,675
Material & Supplies	2,350	841
Other	3,201	981
Professional Services	60,058	25,645
Transportation & Freight	<u>3,488</u>	<u>5,245</u>
Total	\$270,767	\$203,387

Member Services 2006 Budget



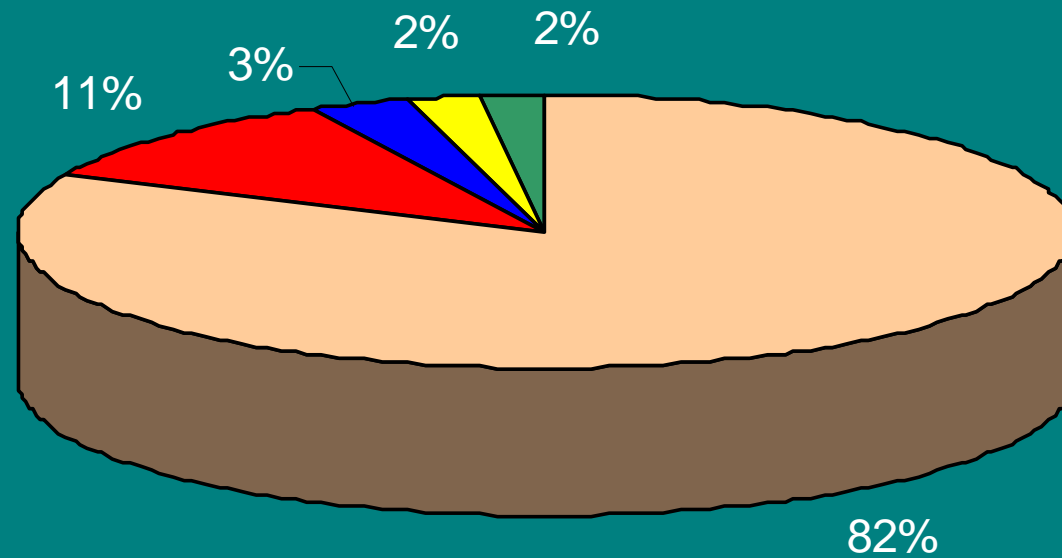
Member Services

	<u>2006 Budget</u>	<u>2006 Unbundled Budget G&T</u>	<u>2006 Unbundled Budget Dist</u>	<u>2005 Budget</u>	<u>2005 Actuals</u>
Labor (47 positions)	\$3,562,890	\$0	\$3,562,890	\$3,928,500	\$3,488,345
Labor Including Fringe Benefits (8K - 166K)					
Material & Supplies	430,300	0	430,300	492,800	355,821
Other	755,650	0	755,650	796,944	791,322
Professional Services	670,014	0	670,014	803,000	801,409
Travel & Education	<u>2,920</u>	<u>0</u>	<u>2,920</u>	<u>32,450</u>	<u>23,538</u>
Total	\$5,421,774	\$0	\$5,421,774	\$6,053,694	\$5,460,435

Member Services 2006 YTD Budget vs Actual

	<u>YTD Budget August-06</u>	<u>YTD Actuals August-06</u>
Labor	\$2,467,085	\$2,386,809
Material & Supplies	291,462	263,427
Other	504,149	688,309
Professional Services	<u>638,387</u>	<u>461,692</u>
Total	\$3,901,083	\$3,800,237

Regulatory Affairs 2006 Budget



■ Labor
■ Other

■ Professional Services
■ Material & Supplies
■ Travel & Education

Regulatory Affairs

	<u>2006 Budget</u>	<u>2006 Unbundled Budget G&T</u>	<u>2006 Unbundled Budget Dist</u>	<u>2005 Budget</u>	<u>2005 Actuals</u>
Labor (5 positions)	\$559,625	\$268,618	\$291,007	\$666,671	\$638,407
Labor Including Fringe Benefits (71K - 161K)					
Material & Supplies	19,500	9,360	10,140	16,500	16,297
Other	15,000	7,200	7,800	15,000	434
Professional Services	75,000	36,000	39,000	70,000	6,669
Travel & Education	14,000	6,720	7,280	18,160	9,316
Total	\$683,125	\$327,898	\$355,227	\$786,331	\$671,123

Regulatory Affairs 2006 YTD Budget vs Actual

	YTD Budget August-06	YTD Actuals August-06
Labor	\$368,649	\$358,008
Material & Supplies	13,000	8,434
Other	10,000	534
Professional Services	56,667	0
Travel & Education	14,000	2,502
Total	\$462,316	\$369,478

DISCUSSION

**FINANCE DIVISION
2006 BUDGETED PROFESSIONAL SERVICES**

- **Chief Financial Officer, \$ 256,688**

Cost of capital/FMP expert	\$ 50,000
Fitch Annual Rating Relations Fee	10,000
Internal Controls Assessment-Sarbanes Oxley	50,000
KPMG -Audit Services	52,000
KPMG - Federal Single Audit	6,000
KPMG - Quarterly Review Services	35,100
KPMG - State Single Audit	8,000
KPMG - Tax return review, accounting issues, etc	10,000
Moodys Annual Rating Agency Fee	10,000
Standard & Poors Annual Surveillance Fee	15,000
Trustee Fees - 2001 Series A	7,088
Trustee Fees - 2002 Series A&B	3,500

- **Accounting & Finance, \$ 119,450**

CT Corporation - SEC Filings	\$ 2,950
Gannett Fleming - 2005 Depreciation Study Update	35,000
Marsh USA - Insurance broker fees	56,500
Warren, McVeigh & Griffin - Insurance Consulting	17,500
Wilton Adjustment Services - Insurance Claims	7,500

- **Administration, \$ 651,189**

Building A roof vegetation control, chemicals	\$ 1,850
Building maintenance, water systems	4,500
Carpet installation/repairs	3,700
Certifications, Inspections, Fire Extinguisher inspect	4,095
Concrete floor sealing, Bldg C warehouse	3,600
Crack seal & repair Ops parking lot asphalt	12,500
Custodial Services – Contract	99,200
Electrical Maintenance	55,004
Elevator Inspections, monthly	3,336
Emergency Generator Maintenance, annual & routine	11,250
Fence Repair/Replace	3,200
Fire Systems Maintenance, semi-annual insp.	1,750
Floodlights, Headquarters facility	4,800
Lawn Care - Temp/Seasonal, Mowing only	5,240
Locks & Door Hardware Maintenance	4,250
Mats, lobby, entry, hallways	8,120
Mechanical Equipment Maintenance - annual PM contract	57,540

Office Equipment	18,300
Oil/Water Separator - IGT – pump/clean	14,580
Oil/Water Separator – Main	15,020
Operating systems, alarms, security system testing	5,680
Overhead Door Maintenance	4,050
Parking Lots, sweeping & painting	6,550
Plumbing	14,720
Security Services, Contractor	181,740
Snow Removal - annual contract	55,440
Specialty Wiring	9,504
Sump cleaning, building B	12,150
Sump cleaning, building F	9,720
Waste removal	19,800

- **Environmental Engineering, \$ 86,500**

Env Assistant to Draft SPCC Plans	\$ 17,000
EPA Tank Mandates	50,000
Lead & asbestos testing	1,940
State & Muni Underground Req. - Environmental Consult.	1,000
Storm water testing for T&D systems	2,160
Title V & PSD Air Quality Permits	14,400

- **Member Services, \$ 670,014**

Advertising - Capital Credits	54,000
AK Archives – Mailing	3,500
AK Archives – Printing	5,000
AK Archives-Bill Printing	39,000
Annual Meeting - Election Materials	125,000
Annual Meeting Election Contractor Services	30,000
Annual Report Services	45,000
Bill Inserts –Printing	18,000
BOMA/FEMP Workshop speakers	2,000
Brochure – Printing	4,000
Bulk Mail Handling	51,000
Clipping Service & TV Dubs	2,500
Collection Agency Fees	25,000
Experian Service	9,000
Focus groups, tracking, surveys	19,833
Ingens Service	6,000
Lighting & Energy Audits	5,500
Loomis	6,000
Outlet Newsletter – Printing	35,000
Print Placement - ADN Open and Competitive Bids	10,673

Print Placement - Chamber Directories, Magazines	9,005
Print Placement -ABC, AGC, Community Programs	5,336
Public relations Strategy & Planning	11,667
Remittance Processing – Bill Matrix	80,000
Remittance Processing – FNBA	55,000
TV Spots Production and Safety City DVD	13,000
• Regulatory Affairs & Pricing, \$ 75,000	
Audit of cost allocation/Balance sheet allocation	\$ 10,000
Demand response rate: Inventory of backup generation	20,000
End use analysis update	25,000
Regulatory review of 2005 Depr Study	20,000