



MEMORANDUM

TO: IEDA Board
FROM: Ed Gerak
RE: Q1 Financial & Activities Update
DATE: March 31, 2023

ISSUE

Quarterly Financial & Activities Update

REASON

Well run organizations keep a keen eye on the financial status, especially revenues versus expenditures. As a membership organization, the revenues are based on membership dues and planned expenditures are based on certain assumptions. The IEDA budget was based on certain expectations which have undergone changes since November, when the budget was originally set.

MEMBERSHIPS

Membership remains strong, with dues receipts received from all members. A significant amount of 2023 dues were received in 2022, totaling \$202,033.50. We have received an additional \$230,029.50 in dues in 2023. This includes the majority of the quarterly dues payers for Q2. Remaining dues outstanding for 2023 are at \$202,937.

SPONSORSHIPS

The IEDA Annual Meeting met the initial sponsorship goal of \$10,000. Thank you to all the members who contributed. In addition to the \$10K in revenue, we received an in-lieu sponsorship from SRP, which offset meeting expenses by \$1,325.32.

FINANCIALS

Thanks to the early dues payments, IEDA bank balance on January 1, 2023 was \$351,282.60. This has provided a strong cashflow balance as we have begun the operating year.

Adjusting out 2023 dues, 2023 Annual Meeting Sponsorships & expenses (in 2022) and the \$30,000 credit applied to 2023 from those who stepped up in anticipation of a possible shortfall in 2022, the adjusted opening balance for 2023 was \$114,988.79.

At the end of Q1, the modified budget shows \$675,000 in expenses. Membership dues and sponsorships are tracking for \$675,000. Year End Actual expenses are trending towards \$656,545.61, for a positive variance of \$18,454.39

If these numbers hold, we will end the year with \$133,443.18.

ACTIVITIES

Activities in Q1, 2023 include the Annual Meeting (Jan. 6th), two trips to DC (initial round for new members & APPA Leg Rally), as well as monitoring of water and power issues relevant to IEDA members.

With a focus on federal hydropower, IEDA is focused on issues occurring on the Colorado River (pending SEIS), as well as agencies that represent our members contracts (APA, CREDA & P-DP). The APA had been developing a REC program, which IEDA provided comments.

Regarding the CRSP situation, IEDA initiated conversations with WAPA regarding RA concerns with generation being outside the planned marker footprint (CAISO vs SPP). Thanks to AEPCO's assistance, WAPA committed to resolving this issue if it develops in the future. Regarding P-DP, IEDA has been monitoring the contract renewal discussion that has been developing. I also attended the CREDA meeting in January and the WAPA Customer Meeting in Lakewood in February.

From a customer relations perspective, IEDA attended the Ag Dinner in Yuma, attended a Westside Managers' Meeting, met with SRP, attended a loose coalition of Arizona Public Power representatives, attended a meeting with RWCD

and other irrigation districts and frequent AMPUA meetings. B3 Strategies continues to represent us well at the Arizona Capitol, and discussions continue towards the unification of IEDA and AMPUA.

Visits to DC have been fruitful, with multiple member meetings in January and February. We have submitted two appropriations requests, one for PRBs and the other for the Hoover Dump Site. We were informed by Ciscomani's office was submitting our request. This would result in access to \$43M of stranded funds, of which Arizona would benefit by \$8.5M. It would also provide ongoing savings of \$2M in rates.

The two trips to DC coincide with State Society of Arizona meetings. The event in February had five of the delegation in attendance. I would recommend consideration of increasing sponsorship in upcoming years for brand recognition and engagement.

The inaugural Leadership Cohort has completed three classes in Q1. We have consistently had 10+ people in the class. We continue to look for people willing to co-teach the classes in the coming months and years.

Please let me know if you have any questions or concerns as IEDA moves into Q2.