

Organization and Management

General - The Board was initially created by the City Council and subsequently was established by an Act of the Florida Legislature in 1945 to operate and maintain the utility. The present form of the Board was created in 1969 by the Florida Legislature and was given control of the utility. The Board is composed of a Chairman who is elected for a term of two years and four members who are elected for a term of four years by the voters of the City. The Utility Board exercises exclusive control and management of the System and appoints its Vice-Chairman. The General Manager of the utility serves as the Secretary of the Utility Board and is also responsible for the day-to-day operations, including the hiring of employees. The City nor any other board, officer or agency of the City has any control over the operation or management of the utility or of the Board. The City must, however, approve the issuance of bonds by the Board.

Utility Board - The elected officials comprising the membership of the Utility Board as of September 30, 2006, were as follows: Robert R. Padron, Chairman, Lou Hernandez, Vice-Chairman, Mona Clark, Peter Batty, and Charles Bradford. The term for board member Mr. Padron expires in November 2007. The terms for board member Ms. Clark expires November 2008. The term for board members Mr. Hernandez and Mr. Batty expire November 2009. The term for board member Mr. Bradford expires November 2010.

LIST OF PRINCIPAL OFFICIALS

ELECTED OFFICIALS

Utility Board Chairman	Robert Padron
Utility Board Vice-Chairman	Lou Hernandez
Utility Board Member	Peter Batty
Utility Board Member	Charles Bradford
Utility Board Member	Mona Clark

APPOINTED OFFICIALS

General Counsel	Nathan Eden
General Manager & Chief Executive Officer	Lynne Tejada

DEPARTMENT DIRECTORS

Assistant General Manager & Chief Financial Officer	Jack Wetzler
Director of Generation	Dan Cassel
Director of Engineering/Control	Dale Finigan
Director of Management Services	Suzanne Greager
Director of Transmission & Distribution	David Price
Director of Administration, Compliance & Internal Policies	Stanley Rzad
Director of Customer Services	Alex Tejada

Summary of Debt Service Coverage

<u>Payment Date</u>	<u>Series 2006 Bonds</u>	<u>Series 2001 Bonds</u>	<u>Series 2000 Bonds</u>	<u>Series 1991 Bonds</u>	<u>Aggregate Debt Service</u>	<u>Payments Fiscal Year</u>	<u>Funding Calendar Year</u>
10/1/2006		1,080,475	5,932,800		7,013,275		7,013,275
4/1/2007	914,198	163,150	1,185,119		2,262,467	9,275,742	
10/1/2007	914,198	1,093,150	6,010,119		8,017,467		10,279,933
4/1/2008	994,294	144,550	1,046,400		2,185,244	10,202,710	
10/1/2008	994,294	1,109,550	6,086,400		8,190,244		10,375,488
4/1/2009	994,294	124,647	901,500		2,020,441	10,210,684	
10/1/2009	994,294	1,129,647	6,236,500		8,360,441		10,380,881
4/1/2010	994,294	103,291	741,450		1,839,034	10,199,475	
10/1/2010	994,294	1,153,291	6,386,450		8,534,034		10,373,069
4/1/2011	994,294	80,322	572,100		1,646,716	10,180,750	
10/1/2011	994,294	1,180,322	6,562,100		8,736,716		10,383,431
4/1/2012	994,294	56,259	392,400		1,442,953	10,179,669	
10/1/2012	994,294	1,201,259	6,742,400		8,937,953		10,380,906
4/1/2013	994,294	27,634	201,900		1,223,828	10,161,781	
10/1/2013	994,294	1,222,634	6,931,900		9,148,828		10,372,656
4/1/2014	994,294				994,294	10,143,122	
10/1/2014	994,294			9,270,000	10,264,294		11,258,588
4/1/2015	994,294				994,294	11,258,588	
10/1/2015	994,294			9,270,000	10,264,294		11,258,588
4/1/2016	994,294				994,294	11,258,588	
10/1/2016	994,294			9,270,000	10,264,294		11,258,588
4/1/2017	994,294				994,294	11,258,588	
10/1/2017	994,294			9,270,000	10,264,294		11,258,588
4/1/2018	994,294				994,294	11,258,588	
10/1/2018	994,294			9,270,000	10,264,294		11,258,588
4/1/2019	994,294				994,294	11,258,588	
10/1/2019	3,429,294				3,429,294		4,423,588
4/1/2020	945,594				945,594	4,374,888	
10/1/2020	3,475,594				3,475,594		4,421,188
4/1/2021	882,344				882,344	4,357,938	
10/1/2021	3,542,344				3,542,344		4,424,688
4/1/2022	822,494				822,494	4,364,838	
10/1/2022	3,602,494				3,602,494		4,424,988
4/1/2023	759,944				759,944	4,362,438	
10/1/2023	3,659,944				3,659,944		4,419,888
4/1/2024	687,444				687,444	4,347,388	
10/1/2024	3,732,444				3,732,444		4,419,888
4/1/2025	618,931				618,931	4,351,375	
10/1/2025	3,803,931				3,803,931		4,422,863
4/1/2026	551,250				551,250	4,355,181	
10/1/2026	3,871,250				3,871,250		4,422,500
4/1/2027	478,625				478,625	4,349,875	
10/1/2027	3,943,625				3,943,625		4,422,250
4/1/2028	392,000				392,000	4,335,625	
10/1/2028	4,032,000				4,032,000		4,424,000
4/1/2029	301,000				301,000	4,333,000	
10/1/2029	4,121,000				4,121,000		4,422,000
4/1/2030	205,500				205,500	4,326,500	
10/1/2030	4,215,500				4,215,500		4,421,000
4/1/2031	105,250				105,250	4,320,750	
10/1/2031	4,315,250				4,315,250	4,315,250	4,420,500
Total	<u>\$ 81,192,196</u>	<u>\$ 9,870,181</u>	<u>\$ 55,929,538</u>	<u>\$ 46,350,000</u>	<u>\$ 193,341,915</u>	<u>\$ 193,341,915</u>	<u>\$ 193,341,915</u>

Schedule of Debt Service - 2006 Series

<u>Payment Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>	
					<u>Fiscal Year</u>	<u>Calendar Year</u>
4/1/2007			914,198	914,198	914,198	
10/1/2007			914,198	914,198		1,828,396
4/1/2008			994,294	994,294	1,908,492	
10/1/2008			994,294	994,294		1,988,588
4/1/2009			994,294	994,294	1,988,588	
10/1/2009			994,294	994,294		1,988,588
4/1/2010			994,294	994,294	1,988,588	
10/1/2010			994,294	994,294		1,988,588
4/1/2011			994,294	994,294	1,988,588	
10/1/2011			994,294	994,294		1,988,588
4/1/2012			994,294	994,294	1,988,588	
10/1/2012			994,294	994,294		1,988,588
4/1/2013			994,294	994,294	1,988,588	
10/1/2013			994,294	994,294		1,988,588
4/1/2014			994,294	994,294	1,988,588	
10/1/2014			994,294	994,294		1,988,588
4/1/2015			994,294	994,294	1,988,588	
10/1/2015			994,294	994,294		1,988,588
4/1/2016			994,294	994,294	1,988,588	
10/1/2016			994,294	994,294		1,988,588
4/1/2017			994,294	994,294	1,988,588	
10/1/2017			994,294	994,294		1,988,588
4/1/2018			994,294	994,294	1,988,588	
10/1/2018			994,294	994,294		1,988,588
4/1/2019			994,294	994,294	1,988,588	
10/1/2019	2,435,000		994,294	3,429,294		4,423,588
4/1/2020			945,594	945,594	4,374,888	
10/1/2020	2,530,000		945,594	3,475,594		4,421,188
4/1/2021			882,344	882,344	4,357,938	
10/1/2021	2,660,000		882,344	3,542,344		4,424,688
4/1/2022			822,494	822,494	4,364,838	
10/1/2022	2,780,000		822,494	3,602,494		4,424,988
4/1/2023			759,944	759,944	4,362,438	
10/1/2023	2,900,000		759,944	3,659,944		4,419,888
4/1/2024			687,444	687,444	4,347,388	
10/1/2024	3,045,000		687,444	3,732,444		4,419,888
4/1/2025			618,931	618,931	4,351,375	
10/1/2025	3,185,000		618,931	3,803,931		4,422,863
4/1/2026			551,250	551,250	4,355,181	
10/1/2026	3,320,000		551,250	3,871,250		4,422,500
4/1/2027			478,625	478,625	4,349,875	
10/1/2027	3,465,000		478,625	3,943,625		4,422,250
4/1/2028			392,000	392,000	4,335,625	
10/1/2028	3,640,000		392,000	4,032,000		4,424,000
4/1/2029			301,000	301,000	4,333,000	
10/1/2029	3,820,000		301,000	4,121,000		4,422,000
4/1/2030			205,500	205,500	4,326,500	
10/1/2030	4,010,000		205,500	4,215,500		4,421,000
4/1/2031			105,250	105,250	4,320,750	
10/1/2031	4,210,000		105,250	4,315,250	4,315,250	4,420,500
Total	\$ 42,000,000		\$ 39,192,196	\$ 81,192,196	\$ 81,192,196	\$ 81,192,196

Schedule of Debt Service - Series 2001

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>	
				<u>Payments Fiscal Year</u>	<u>Funding Calendar Year</u>
10/1/2006	900,000	180,475	1,080,475		1,080,475
4/1/2007		163,150	163,150	1,243,625	
10/1/2007	930,000	163,150	1,093,150		1,256,300
4/1/2008		144,550	144,550	1,237,700	
10/1/2008	965,000	144,550	1,109,550		1,254,100
4/1/2009		124,647	124,647	1,234,197	
10/1/2009	1,005,000	124,647	1,129,647		1,254,294
4/1/2010		103,291	103,291	1,232,938	
10/1/2010	1,050,000	103,291	1,153,291		1,256,581
4/1/2011		80,322	80,322	1,233,613	
10/1/2011	1,100,000	80,322	1,180,322		1,260,644
4/1/2012		56,259	56,259	1,236,581	
10/1/2012	1,145,000	56,259	1,201,259		1,257,519
4/1/2013		27,634	27,634	1,228,894	
10/1/2013	1,195,000	27,634	1,222,634		1,250,269
4/1/2014		-	-	1,222,634	
10/1/2014		-	-		-
4/1/2015		-	-	-	-
10/1/2015		-	-		-
4/1/2016		-	-	-	-
10/1/2016		-	-		-
4/1/2017		-	-	-	-
10/1/2017		-	-		-
4/1/2018		-	-	-	-
10/1/2018	-	-	-	-	-
Total	<u>\$ 8,290,000</u>	<u>\$ 1,580,181</u>	<u>\$ 9,870,181</u>	<u>\$ 9,870,181</u>	<u>\$ 9,870,181</u>
Generation (91%)	\$ 7,543,900	\$ 1,437,965	\$ 8,981,865		
Transmission (6.5%)	538,850	102,712	641,562		
Distribution (2.5%)	<u>207,250</u>	<u>39,505</u>	<u>246,755</u>		
Total	<u>\$ 8,290,000</u>	<u>\$ 1,580,181</u>	<u>\$ 9,870,181</u>		

Schedule of Debt Service - 2000 Series

<u>Payment Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>	
					<u>Payments</u>	<u>Funding</u>
					<u>Fiscal Year</u>	<u>Calendar Year</u>
10/1/2006	4,615,000	5.75%	1,317,800	5,932,800		5,932,800
4/1/2007			1,185,119	1,185,119	7,117,919	
10/1/2007	4,825,000	5.75%	1,185,119	6,010,119		7,195,238
4/1/2008			1,046,400	1,046,400	7,056,519	
10/1/2008	5,040,000	5.75%	1,046,400	6,086,400		7,132,800
4/1/2009			901,500	901,500	6,987,900	
10/1/2009	5,335,000	6.00%	901,500	6,236,500		7,138,000
4/1/2010			741,450	741,450	6,977,950	
10/1/2010	5,645,000	6.00%	741,450	6,386,450		7,127,900
4/1/2011			572,100	572,100	6,958,550	
10/1/2011	5,990,000	6.00%	572,100	6,562,100		7,134,200
4/1/2012			392,400	392,400	6,954,500	
10/1/2012	6,350,000	6.00%	392,400	6,742,400		7,134,800
4/1/2013			201,900	201,900	6,944,300	
10/1/2013	<u>6,730,000</u>	6.00%	<u>201,900</u>	<u>6,931,900</u>	<u>6,931,900</u>	<u>7,133,800</u>
Total	\$ 44,530,000		\$ 11,399,538	\$ 55,929,538	\$ 55,929,538	\$ 55,929,538
Generation (0%)	\$ -		\$ -	\$ -		
Transmission (91.4%)	40,700,420		10,419,177	51,119,597		
Distribution (8.6%)	<u>3,829,580</u>		<u>980,360</u>	<u>4,809,940</u>		
Total	<u>\$ 44,530,000</u>		<u>\$ 11,399,538</u>	<u>\$ 55,929,538</u>		

Schedule of Debt Service - 1991 Series

<u>Payment Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Compounded Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>	
					<u>Fiscal Year</u>	<u>Funding Calendar Year</u>
10/1/2004						
4/1/2005						
10/1/2005						
4/1/2006						
10/1/2006						
4/1/2007						
10/1/2007						
4/1/2008						
10/1/2008						
4/1/2009						
10/1/2009						
4/1/2010						
10/1/2010						
4/1/2011						
10/1/2011						
4/1/2012						
10/1/2012						
4/1/2013						
10/1/2013						
4/1/2014						
10/1/2014	\$ 1,859,840	7.05%	\$ 7,410,160	\$ 9,270,000		\$ 9,270,000
4/1/2015				-	9,270,000	
10/1/2015	1,735,344	7.05%	7,534,656	9,270,000		9,270,000
4/1/2016				-	9,270,000	
10/1/2016	1,599,539	7.10%	7,670,462	9,270,000		9,270,000
4/1/2017				-	9,270,000	
10/1/2017	1,491,821	7.10%	7,778,179	9,270,000		9,270,000
4/1/2018				-	9,270,000	
10/1/2018	<u>1,391,242</u>	7.10%	<u>7,878,758</u>	<u>9,270,000</u>	<u>9,270,000</u>	<u>9,270,000</u>
Total	<u>\$ 8,077,785</u>		<u>\$ 38,272,215</u>	<u>\$46,350,000</u>	<u>\$ 46,350,000</u>	<u>\$ 46,350,000</u>
Generation (91%)	\$ 7,350,785		\$ 34,827,715	\$ 42,178,500		
Transmission (6.5%)	525,056		2,487,694	3,012,750		
Distribution (2.5%)	<u>201,945</u>		<u>956,805</u>	<u>1,158,750</u>		
Total	<u>\$ 8,077,785</u>		<u>\$ 38,272,215</u>	<u>\$ 46,350,000</u>		

Overhead Rate Calculation Worksheet

Labor Overhead Rate:

		Budget 2007
ALLOCATED COSTS:		
Employee Welfare	\$	2,598,982
Pension Contribution		2,570,875
Training and Safety		301,700
Authorized Leave		1,512,758
Management Services(Total Section Budget)		2,248,945
Less: Salaries and Wages (Other than Human Resources)		(78,368)
Less: Authorized Leave (Entire Section)		(71,285)
Less: Insurance, other than workers comp		(1,095,225)
Less: Rents and Utilities (Entire Section)		(13,596)
Less: General Office Expense (Entire Section)		(53,032)
Less: Employee Welfare (Entire Section)		(69,823)
Less: Pension (Entire Section)		(120,346)
Less: Training (Entire Section)		(289,700)
		7,441,884
TOTAL ALLOCATED COSTS	\$	7,441,884
BASE COSTS:		
Salaries and Wages	\$	8,957,752
Payment of Overtime		485,767
Salaries and Wages - Capital Projects		286,214
Payment of Overtime - Capital Projects		-
		9,729,734
TOTAL BASE COSTS	\$	9,729,734
	LABOR RATE	<u>76%</u>

Material Overhead Rate:

ALLOCATED COSTS:		
Purchasing Section Budget	\$	439,374
Less: Rents and Utilities		-
Less: General Office Expense		(10,600)
Warehouse Section Budget		219,938
Less: Over and Short		(2,500)
Less: Surplus Inventory		(2,500)
Less: Rents and Utilities		-
Less: General Office Expense		(1,700)
		642,012
TOTAL ALLOCATED COSTS	\$	642,012
BASE COSTS:		
Materials and Supplies (Inventory)	\$	412,719
Materials and Supplies (Outside Vendor)		498,732
Less: Over and Short		(2,500)
Less: Surplus Inventory		(2,500)
Materials and Supplies(Outside Vendor) - Capital Projects		150,000
Materials and Supplies (Inventory) - Capital Projects		200,000
		1,256,451
TOTAL BASE COSTS	\$	1,256,451
	MATERIALS RATE	<u>51%</u>

Overhead Rate Calculation Worksheet

General Overhead Rate:

		Budget 2007
ALLOCATED COSTS:		
Rents and Utilities	\$	457,448
Postage, Stationary & Printing		181,713
Utility Board Budget		259,801
Less: Rents and Utilities		-
Less: General Office Expense		(1,900)
Executive Department Budget		477,778
Less: Rents and Utilities		-
Less: General Office Expense		(44,389)
Marketing Department Budget		386,088
Less: Rents and Utilities		-
Less: General Office Expense		(16,700)
Information Technology Department Budget		1,314,840
Less: Rents and Utilities		(323,982)
Less: General Office Expense		(48,812)
Finance Department Budget		4,099,326
Less: Customer Deposit Interest Expense		(157,752)
Less: PSC Regulatory Fees		(20,000)
Less: Rents and Utilities		(16,613)
Less: General Office Expense		(62,800)
Less: Gross receipts Tax		(2,480,804)
Facilities Department Budget		898,203
Less: Rents and Utilities		(28,300)
Less: General Office Expense		(38)
Enviromental Department Budget		210,598
Less: Rents and Utilities		-
Less: General Office Expense		-
Risk Management Department Budget		2,032,072
Less: Rents and Utilities		-
Less: General Office Expense		-
		7,115,776
TOTAL ALLOCATED COSTS	\$	7,115,776
BASE COSTS:		
Total O&M Budget	\$	91,936,696
Less: Purchase Power Costs		(63,913,044)
Total Capital Budget		<u>11,005,295</u>
TOTAL BASE COSTS	\$	39,028,947
GENERAL RATE		<u>18%</u>

Benchmarking to Budget

Financial Ratios	Actual	Budget	Budget	APPA 2003 *	
	FY 2005	FY 2006	FY 2007	Composite ⁽¹⁾	Generation ⁽²⁾
1. Revenue per kWh (Dollars)					
1a. All Retail Customers					
Revenue / kWh	\$0.111	\$0.112	\$0.134	\$0.065	\$0.071
1b. Residential Customers					
Revenue / kWh	\$0.115	\$0.116	\$0.138	\$0.067	\$0.080
1c. Commercial Customers					
Revenue / kWh	\$0.107	\$0.109	\$0.130	\$0.069	\$0.078
2. Debt to Total Assets					
LT Debt + Current & Accrued Liabilities / Total Assets	0.587	N/A	N/A	0.281	0.226
3. Operating Ratio					
Total Electric O&M Expense / Total Electric Revenue	0.878	0.927	0.926	0.883	0.784
4. Current Ratio					
Current & Accrued Assets / Current & Accrued Liabilities	1.25	N/A	N/A	1.69	N/R
5a. Times Interest Earned					
Electric Income + Interest on LT Debt / Interest on LT Debt	2.17	N/A	N/A	4.00	N/R
5b. Debt Service Coverage					
Before Overhead Allocation:					
Net Income + Depreciation / Debt Service Pymts on LT Debt	1.54	1.49	1.49	N/A	N/R
After Overhead Allocation:					
Net Income + Depreciation / Debt Service Pymts on LT Debt	1.41	1.49	1.49	3.51	N/R
6. Net Income per Revenue Dollar					
Net Income / Revenue	\$ 0.067	N/A	N/A	\$ 0.043	N/R
7. Uncollectable accounts per Revenue Dollar					
Uncollectable Accounts / Revenue	\$0.0015	\$0.0012	\$0.0012	\$0.0020	N/R

* APPA Selected Financial & Operating Ratios of Public Power Systems, 2003

(1) Customer Size Class, by Region, 20,000 to 50,000 Customers, Southeast.

(2) Customer Size Class, by Generation, 20,000 to 50,000 Customers, 10 to 50% of total power requirements.

N/A: Not Available

N/R: Not Reported

Benchmarking to Budget

Operating Ratios	Actual	Budget	Budget	APPA 2003 *	
	FY 2005	FY 2006	FY 2007	Composite ⁽¹⁾	Generation ⁽²⁾
8. Retail Customers per Non-power-generation Employee Avg. # of Customers / non-power-generation employees	225	225	225	340	N/R
9. Total O & M Expense per kWh Sold O&M(less taxes) / kWh sold	\$ 0.101	\$ 0.104	\$ 0.120	\$ 0.058	\$ 0.045
10. Total O&M Expense (Excluding Power Supply) O&M(less taxes) - (Power Supply) / Avg. # of Customers	\$ 770	\$ 835	\$ 904	\$ 216	N/R
11. Total Power Supply Expense Per kWh Sold Total Production Expense / kWh Sold	\$ 0.070	\$ 0.070	\$ 0.088	\$ 0.052	\$ 0.037
12. Purchased Power Cost per kWh Purchase Power Cost / kWh purchased	\$ 0.064	\$ 0.063	\$ 0.079	\$ 0.048	\$ 0.037
13. Retail Customers per Meter Reader Avg. # of Customers / Number of Meter Readers	7,411	7,433	7,433	5,256	N/R
14. Distribution O&M Expenses per Retail Customer Distribution Expense / Avg. # of Customers	\$ 102	\$ 136	\$ 136	\$ 97	N/R
15. Distribution O&M Expenses per Circuit Mile Distribution Expense / Circuit Mile	\$ 11,742	\$ 15,741	\$ 15,713	\$ 4,122	N/R
16. Customer Account, Customer Service & Sales Expense per Retail Customer Customer Service Expense / Avg. # of Customers	\$ 47	\$ 41	\$ 49	\$ 39	N/R
17. Admin & General Expense per Retail Customer A & G / Avg. # of Customers	\$ 389	\$ 461	\$ 496	\$ 63	\$ 127

* APPA Selected Financial & Operating Ratios of Public Power Systems, 2003

(1) Customer Size Class, by Region, 20,000 to 50,000 Customers, Southeast.

(2) Customer Size Class, by Generation, 20,000 to 50,000 Customers, 10 to 50% of total power requirements.

N/A: Not Available

N/R: Not Reported

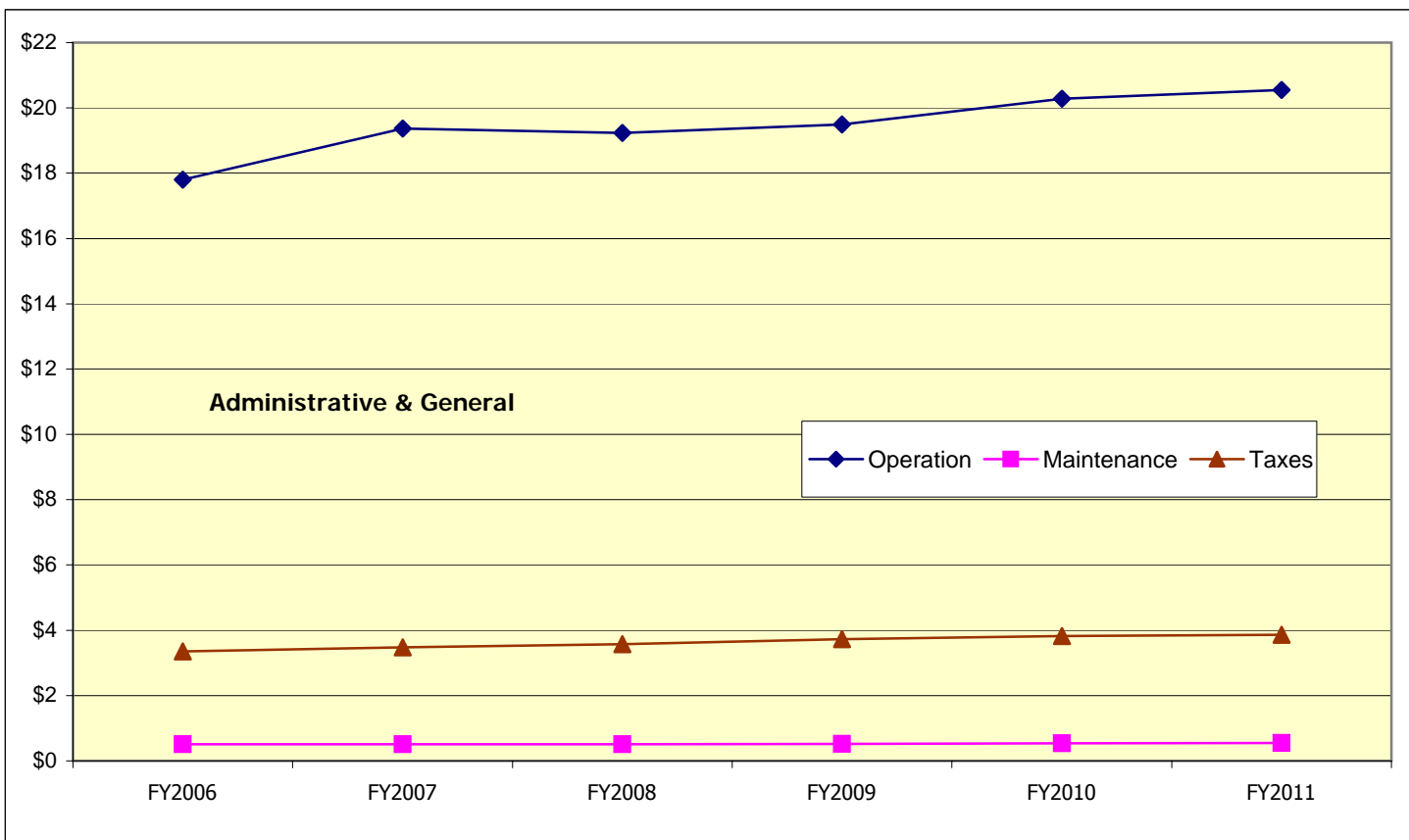
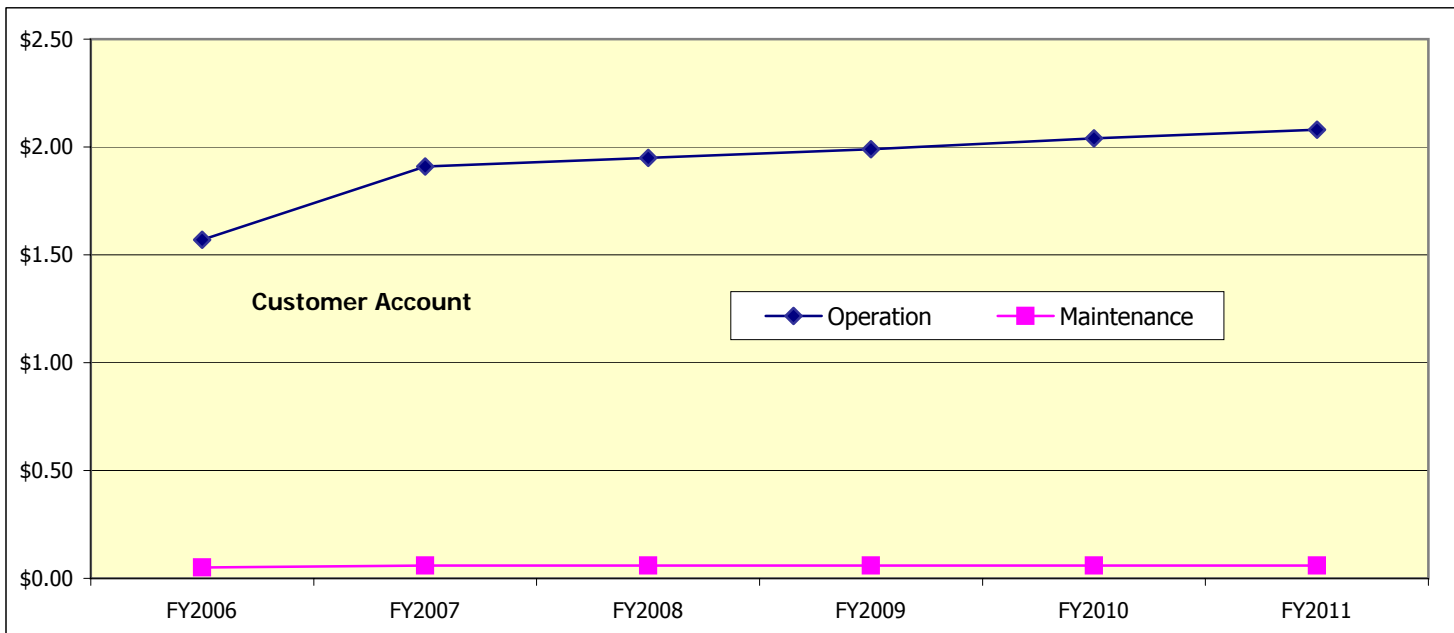
Financial Indicators Summary

	Amended Budget FY 2006	Budget FY 2007	Budget FY 2008	Budget FY 2009	Budget FY 2010	Budget FY 2011
Megawatt Hours Sold:						
Residential	333,890	333,890	339,733	345,678	351,728	357,883
Commercial/Industrial	403,508	403,508	410,570	417,755	425,065	432,504
Public St/Hwy Lts	3,103	3,109	3,163	3,219	3,275	3,332
Church	506	506	515	524	533	542
Area Lights	1,472	1,472	1,498	1,524	1,551	1,578
Total	<u>742,480</u>	<u>742,486</u>	<u>755,479</u>	<u>768,700</u>	<u>782,152</u>	<u>795,840</u>
Average No of Customers:						
Residential	24,325	24,324	24,514	24,696	24,868	25,082
Commercial/Industrial	3,649	3,650	3,704	3,767	3,843	3,873
Public St/Hwy Lts	8	8	8	8	8	8
Church	15	15	15	15	15	15
Area Lighting	1,734	1,734	1,734	1,734	1,734	1,734
Total	<u>29,731</u>	<u>29,731</u>	<u>29,976</u>	<u>30,220</u>	<u>30,469</u>	<u>30,713</u>
Operating Revenue (\$000):						
Residential	\$ 44,539	\$ 46,084	\$ 48,029	\$ 51,153	\$ 53,129	\$ 54,752
Commercial/Industrial	50,575	52,349	54,645	58,237	60,570	62,296
Public St/Hwy Lts	430	445	464	494	513	529
Church	84	87	90	95	98	102
Area Lighting	262	271	281	299	309	321
Total Sales of Electricity	95,890	99,236	103,508	110,279	114,620	118,000
Sales for Resale	-	-	-	-	-	-
Other Elec Revenues	-	-	-	-	-	-
Total Operating Revenue	<u>\$ 95,890</u>	<u>\$ 99,236</u>	<u>\$103,508</u>	<u>\$110,279</u>	<u>\$114,620</u>	<u>\$118,000</u>
Avg Consumption/Revenue:						
Residential						
Revenue Per Customer	\$ 203	\$ 211	\$ 218	\$ 230	\$ 237	\$ 243
Kwh Per Customer	1,525	1,525	1,540	1,555	1,572	1,585
Revenue Per kWh - Mills/kWh	\$ 133	\$ 138	\$ 141	\$ 148	\$ 151	\$ 153
Commercial						
Revenue Per Customer	\$ 1,540	\$ 1,594	\$ 1,639	\$ 1,718	\$ 1,751	\$ 1,787
Kwh Per Customer	12,287	12,284	12,314	12,321	12,290	12,408
Revenue Per kWh - Mills/kWh	\$ 125	\$ 130	\$ 133	\$ 139	\$ 142	\$ 144
All Retail Customers						
Revenue Per Customer	\$ 358	\$ 371	\$ 384	\$ 405	\$ 418	\$ 427
Kwh Per Customer	2,775	2,775	2,800	2,826	2,852	2,879
Revenue Per kWh - Mills/kWh	\$ 129	\$ 134	\$ 137	\$ 143	\$ 147	\$ 148

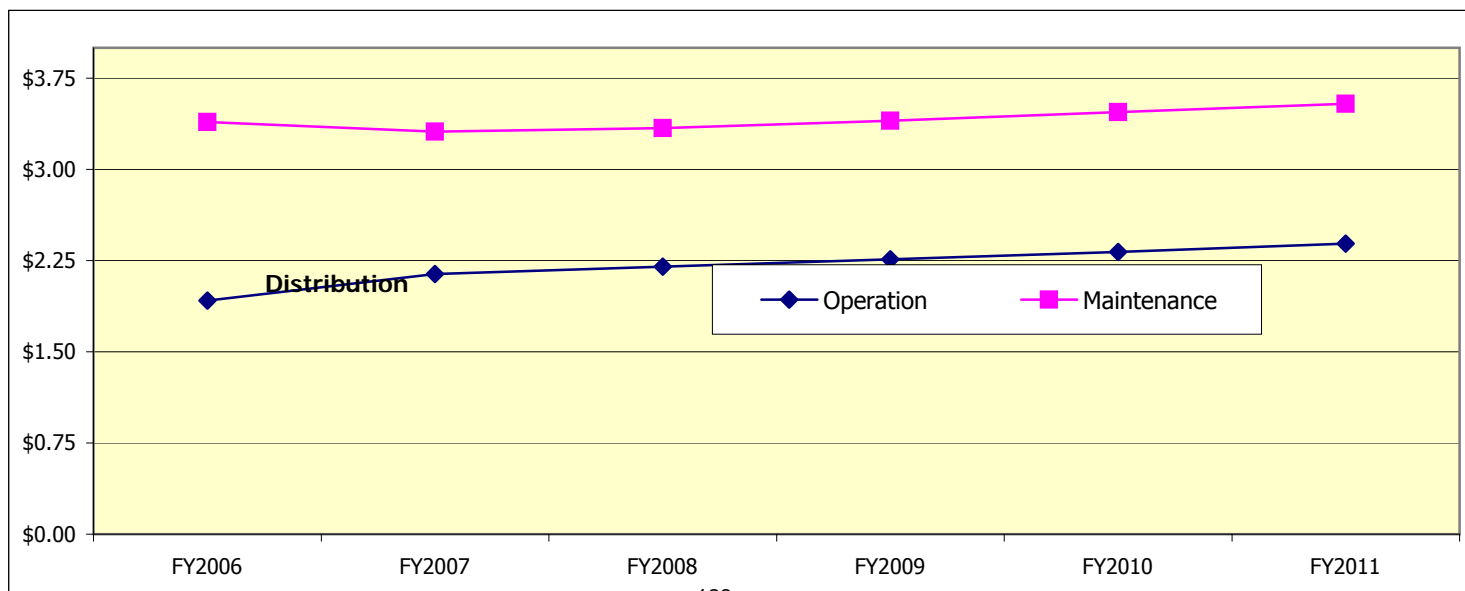
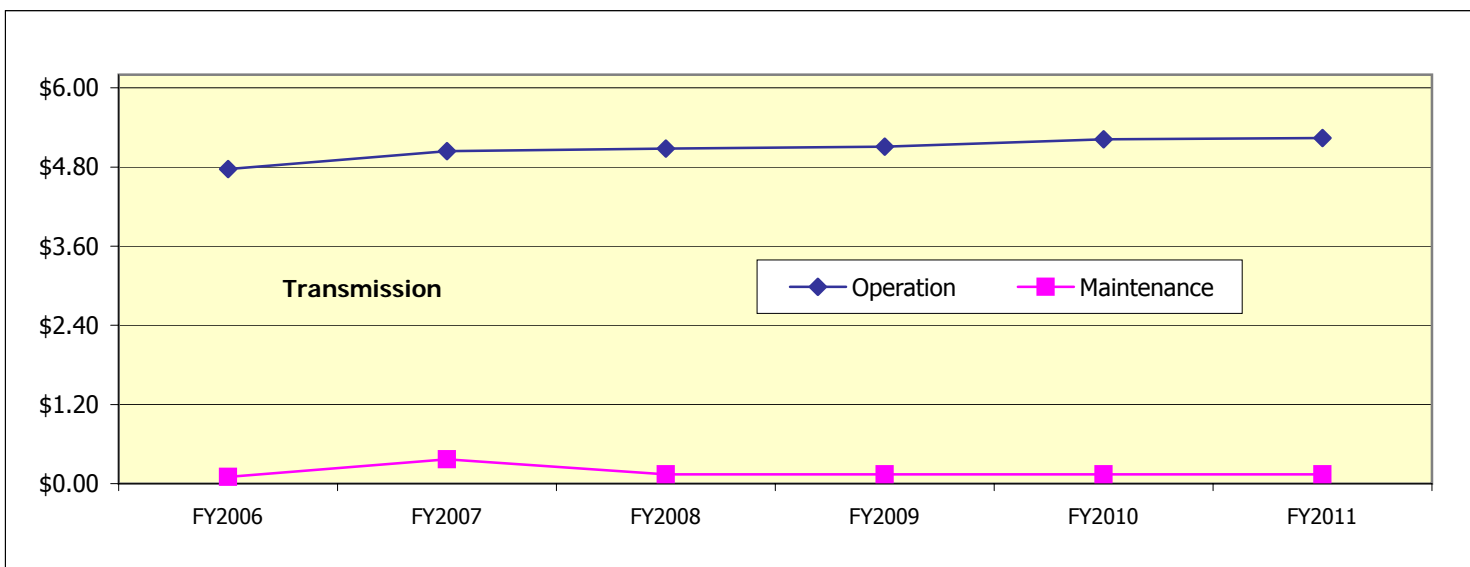
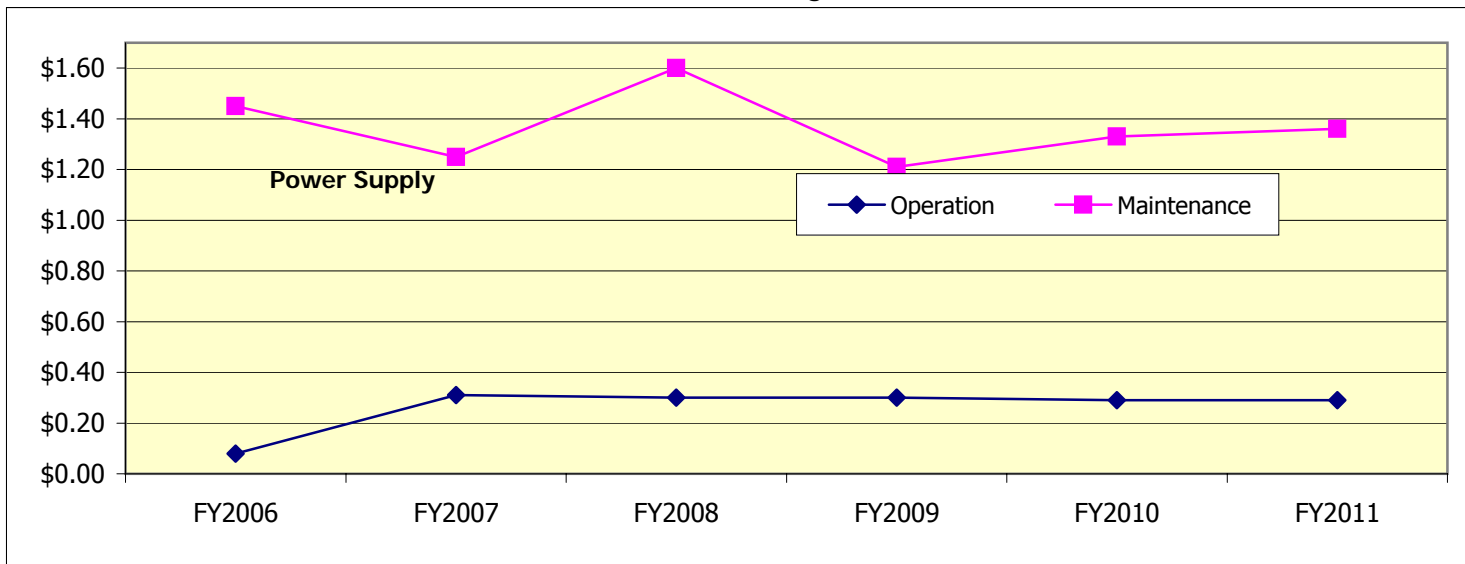
O&M Cost Per Megawatt

	Amended Budget FY 2006	Budget FY 2007	Budget FY 2008	Budget FY 2009	Budget FY 2010	Budget FY 2011
O&M Function						
Other Power Supply						
Operation Expenses	\$ 0.08	\$ 0.31	\$ 0.30	\$ 0.30	\$ 0.29	\$ 0.29
Maintenance Expenses	1.45	1.25	1.60	1.21	1.33	1.36
Total Other Power Supply	1.53	1.56	1.90	1.50	1.62	1.65
Purchased Power						
Purchase Power	85.58	86.08	89.40	91.95	95.00	92.80
Total Purchased Power	85.58	86.08	89.40	91.95	95.00	92.80
Transmission						
Operation Expenses	4.77	5.04	5.08	5.11	5.22	5.24
Maintenance Expenses	0.10	0.37	0.14	0.14	0.14	0.14
Total Transmission	4.87	5.42	5.22	5.24	\$5.36	5.38
Distribution						
Operation Expenses	1.92	2.14	2.20	2.26	2.32	2.39
Maintenance Expenses	3.39	3.31	3.34	3.40	3.47	3.54
Total Distribution	5.31	5.45	5.53	5.66	5.80	5.93
Customer Accounts						
Customer Expenses	1.57	1.91	1.95	1.99	2.04	2.08
Customer Svc & Info Expenses	0.05	0.06	0.06	0.06	0.06	0.06
Total Customer Accounts	1.62	1.97	2.01	2.05	2.10	2.14
Administrative & General						
Operation Expenses	17.80	19.37	19.23	19.49	20.28	20.55
Maintenance Expenses	0.51	0.51	0.51	0.52	0.54	0.55
Taxes	3.35	3.48	3.57	3.73	3.82	3.86
Total Admin & General	21.66	23.36	23.31	23.75	24.64	24.97
Total Company	\$ 120.57	\$ 123.82	\$ 127.37	\$ 130.16	\$ 134.51	\$ 132.87

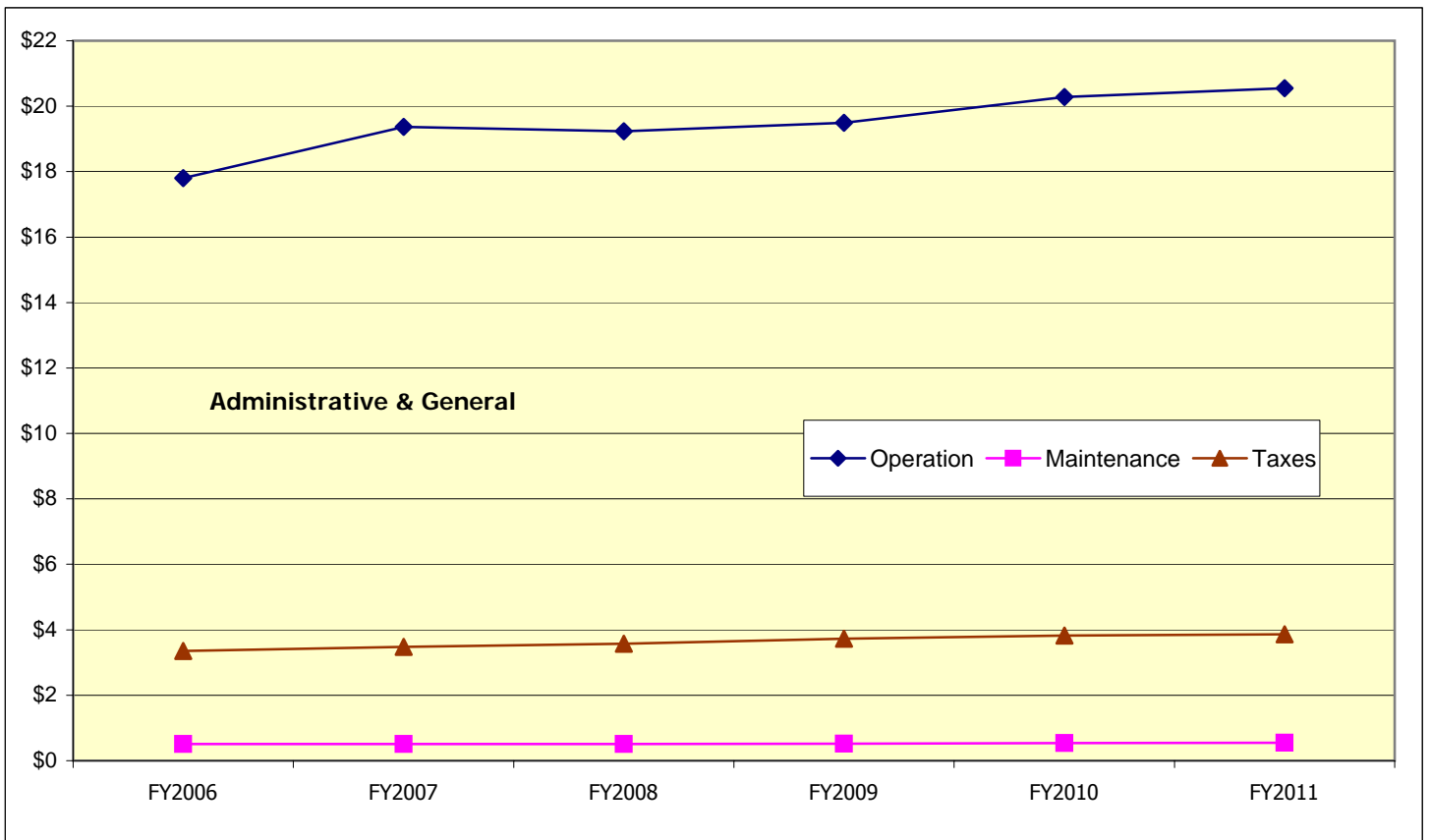
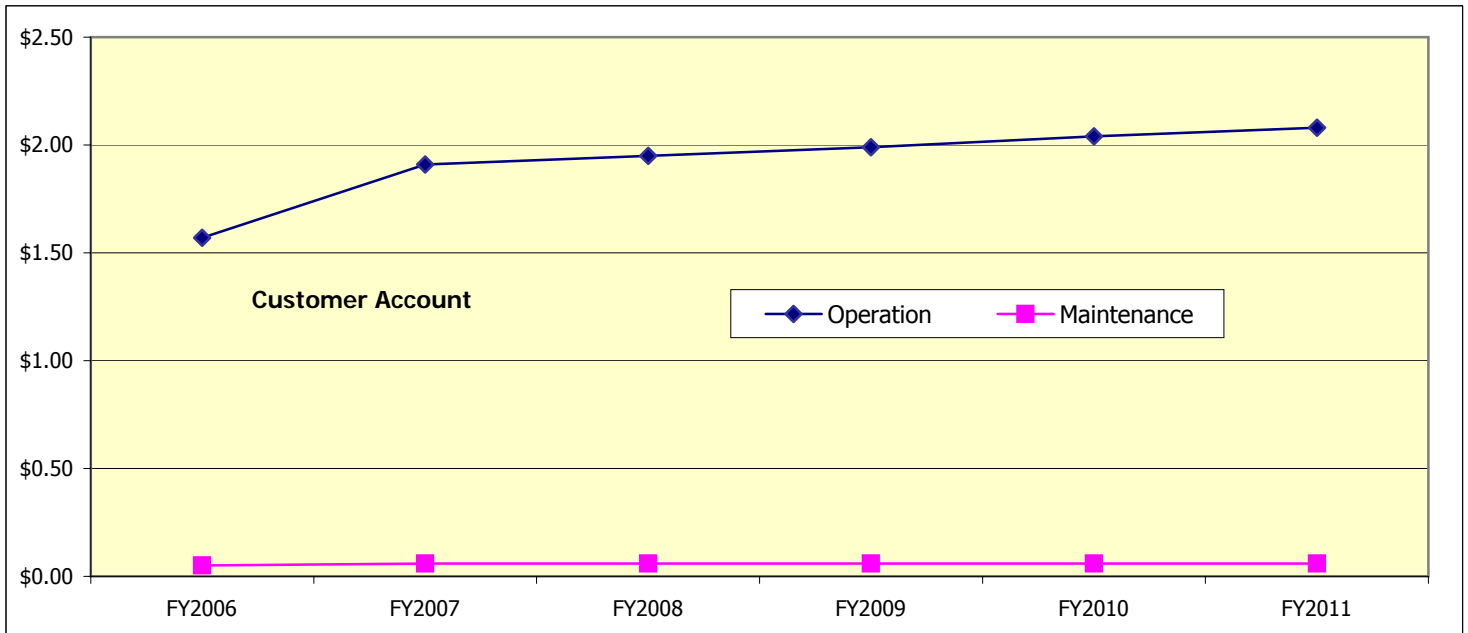
O&M Cost Per Megawatt



O&M Cost Per Megawatt



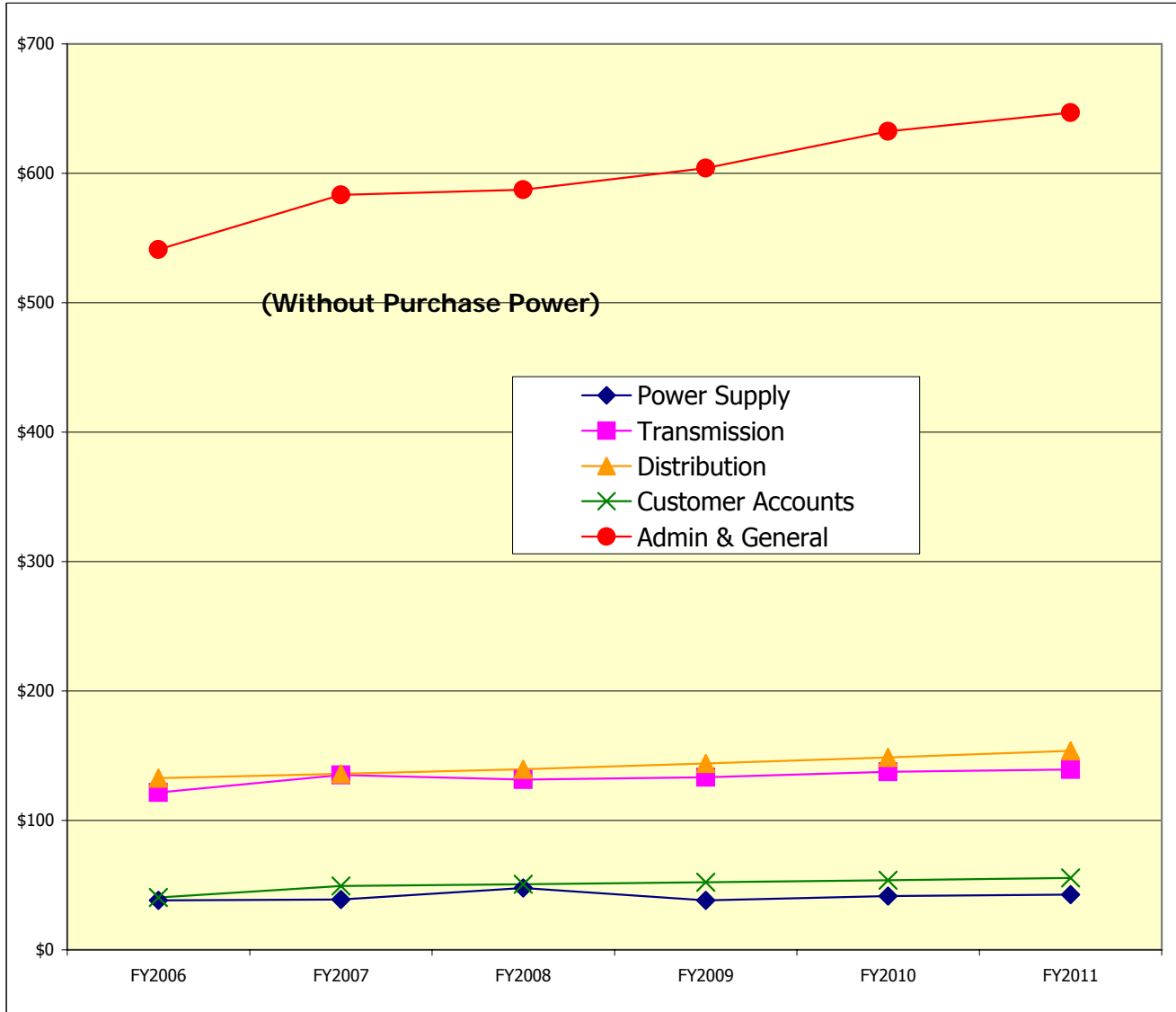
O&M Cost Per Megawatt



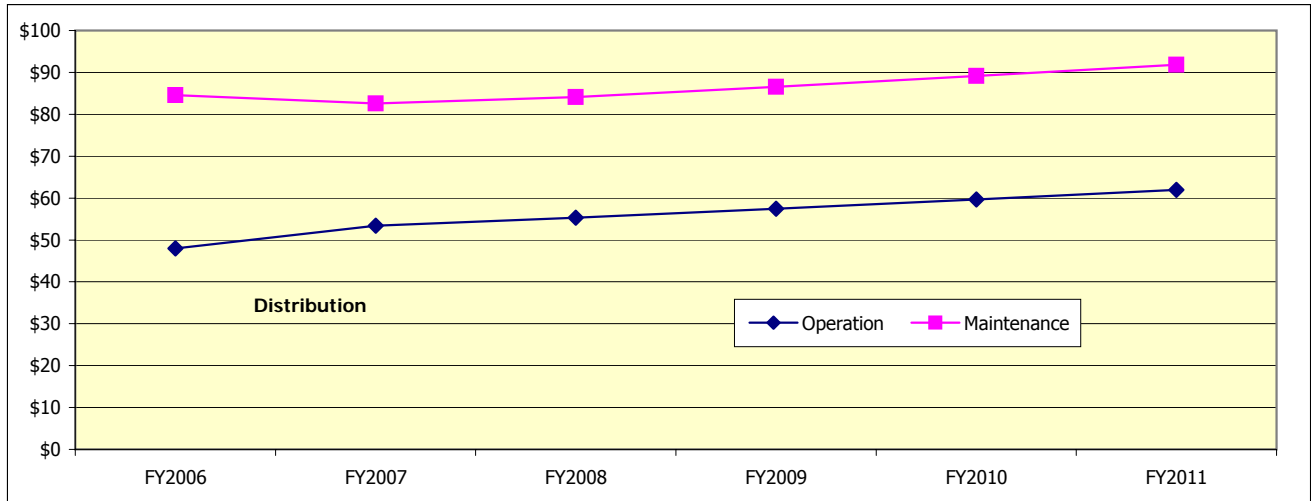
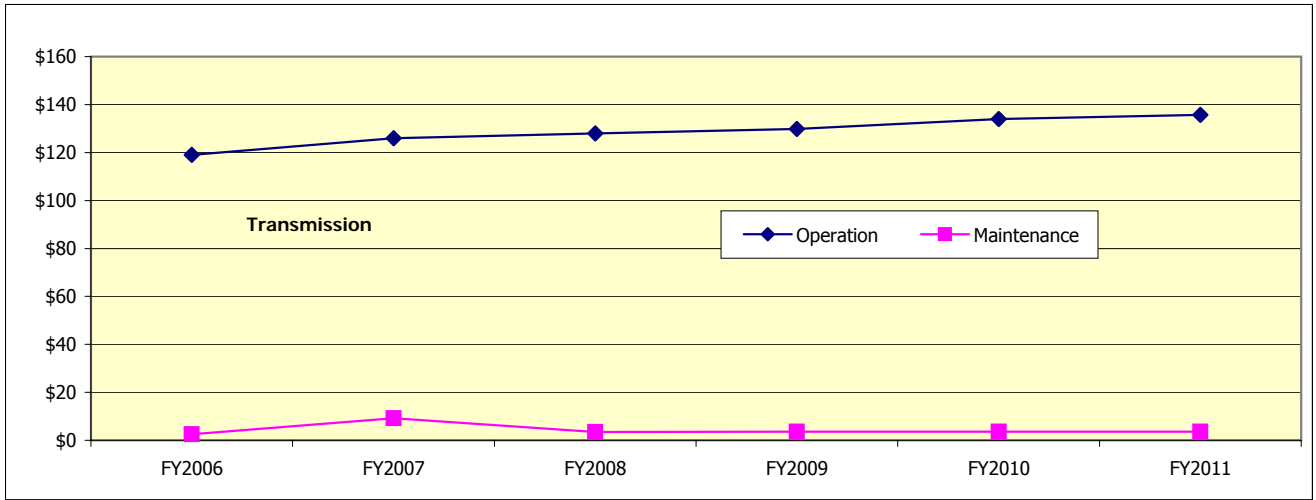
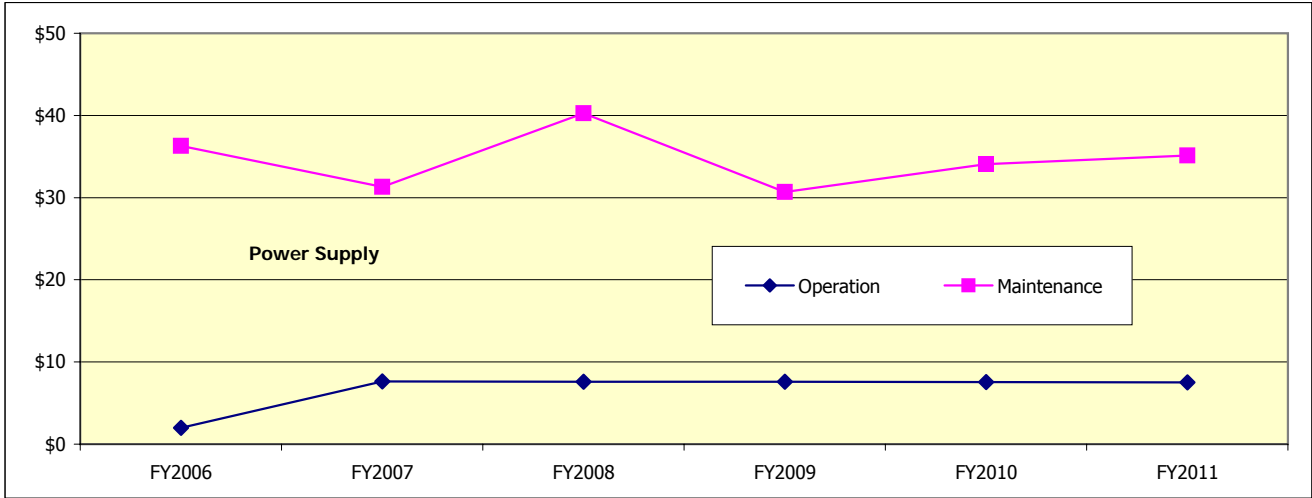
O&M Cost Per Customer

	Amended Budget FY 2006	Budget FY 2007	Budget FY 2008	Budget FY 2009	Budget FY 2010	Budget FY 2011
O&M Function						
Other Power Supply						
Operation Expenses	\$ 1.98	\$ 7.63	\$ 7.60	\$ 7.58	\$ 7.55	\$ 7.53
Maintenance Expenses	36.31	31.29	40.26	30.67	34.06	35.13
Total Other Power Supply	38.29	38.92	47.87	38.24	41.61	42.66
Purchased Power						
Purchase Power	2,137.23	2,149.72	2,253.13	2,338.92	2,438.80	2,404.70
Total Purchased Power	2,137.23	2,149.72	2,253.13	2,338.92	2,438.80	2,404.70
Transmission						
Operation Expenses	119.04	125.96	127.96	129.85	134.00	135.74
Maintenance Expenses	2.57	9.20	3.49	3.54	3.57	3.62
Total Transmission	121.61	135.15	131.45	133.39	137.57	139.36
Distribution						
Operation Expenses	47.99	53.39	55.33	57.45	59.64	61.96
Maintenance Expenses	84.59	82.59	84.14	86.53	89.12	91.83
Total Distribution	132.58	135.99	139.47	143.97	148.76	153.79
Customer Accounts						
Customer Expenses	39.14	47.73	49.18	50.69	52.26	53.91
Customer Svc & Info Expenses	1.28	1.51	1.52	1.53	1.54	1.55
Total Customer Accounts	40.42	49.25	50.70	52.21	53.80	55.46
Administrative & General						
Operation Expenses	444.62	483.63	484.65	495.72	520.70	532.55
Maintenance Expenses	12.80	12.70	12.82	13.28	13.76	14.25
Taxes	83.61	86.92	89.95	95.00	97.97	100.14
Total Admin & General	\$ 541.03	\$ 583.26	\$ 587.43	\$ 604.00	\$ 632.43	\$ 646.94
Total Company	\$ 3,011.16	\$ 3,092.29	\$ 3,210.05	\$ 3,310.74	\$ 3,452.97	\$ 3,442.91

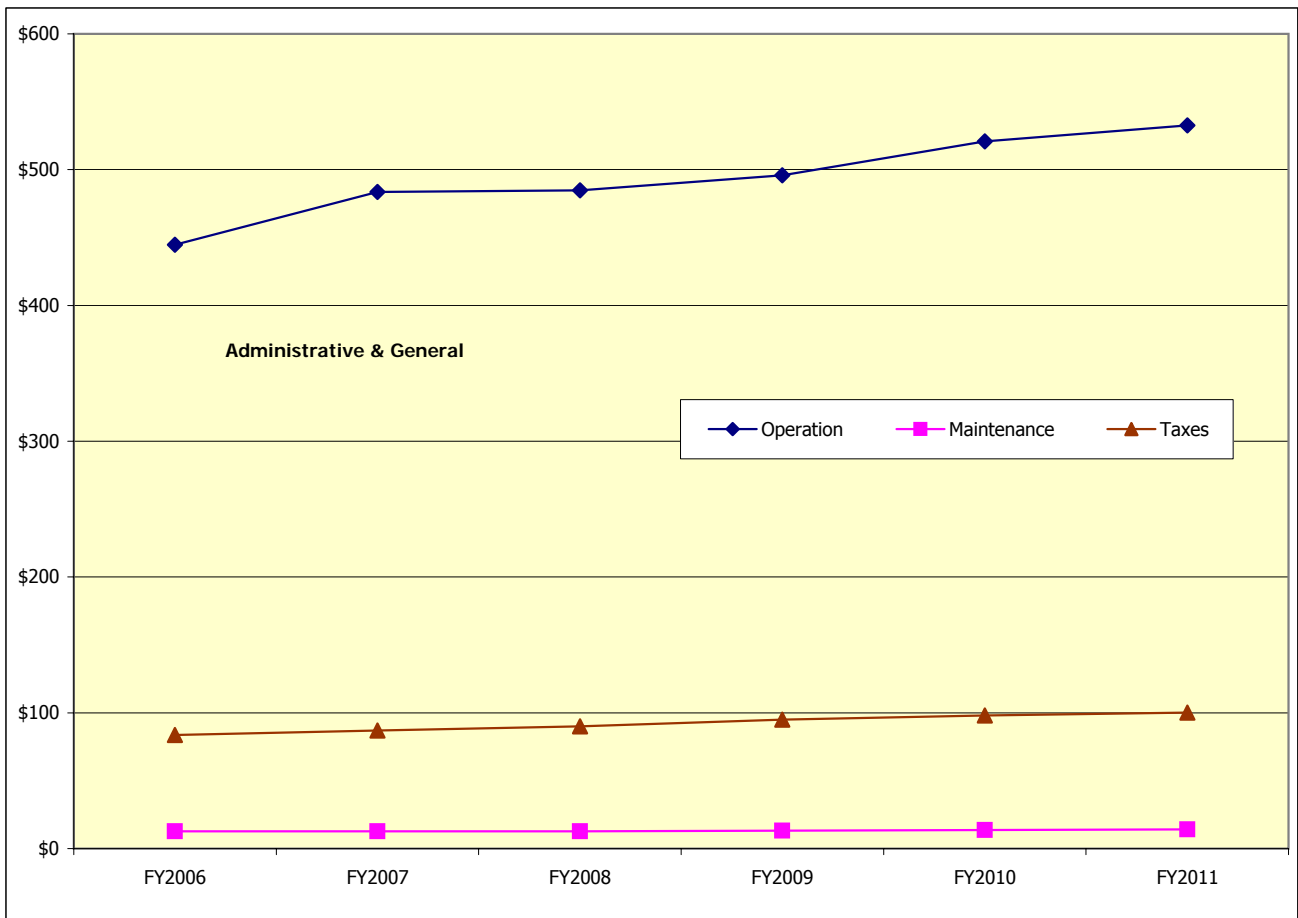
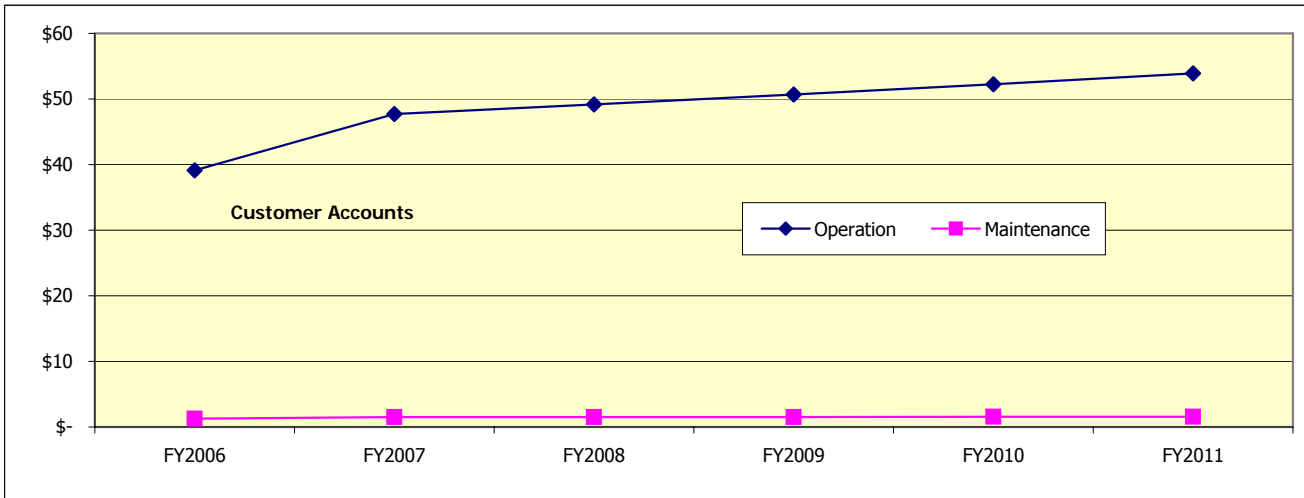
O&M Cost Per Customer



O&M Cost Per Customer



O&M Cost Per Customer



Utility Board of the City of Key West, Florida Glossary of Terms

Accrual – The recording on the books of account of expenses or charges incurred and/or revenue earned but not received for the period, to reflect the matching of revenue and expenses to the fullest extent possible, independent of the dates on which settlements of such items are made.

Ampere (amp) – The unit of measurement of electric current.

ARP – FMPA's All Requirement Power Supply Project.

Betterment – A substantial enlargement or improvement of existing structures, facilities, or equipment by the replacement or improvement of parts without replacement of a complete unit of property, which has the effect of extending the useful life of the property, increasing its capacity, lowering its operating cost, or otherwise adding to its worth through the benefit it can yield.

Bond – An interest bearing certificate of debt; a written contract by the issuer to pay to the lender a fixed principal amount on a stated future date, and a series of interest payments (usually semiannually) during its life.

Budget - A financial plan presenting proposed expenditures and an estimate of the sources of funds; the Budget Document, as prepared and presented to the Utility Board.

Capability – The maximum load, which a generating unit can carry under, specified conditions for a given period of time, without exceeding approved limits of temperature and stress.

Capital Asset - An asset having a useful life in excess of one year, and costing \$1,000 or more which includes additions, improvements, or replacements to buildings, facilities, land, and structures.

Capital Budget - The portion of the Budget devoted to the construction of new utility plant (additions, improvements, and replacements) and expenditures for the purchase or acquisition of existing utility plant facilities and capital assets.

Customer – An individual, firm, or organization, which purchases electric service at one location under one rate classification, contract, or schedule. If service is supplied to a customer at more than one location, each location shall be counted as a separate customer unless all consumption is combined before the bill is calculated.

Customer Charge – An amount paid monthly by a customer for electric service based upon costs incurred for metering, meter reading, billings, etc., exclusive of demand or energy consumption.

Debt Service - The principal repayment, interest expense, and issuance costs associated with the outstanding Revenue Bonds.

Designated Retained Earnings – Retained Earnings that have set aside to be used for a specific use.

Demand – The rate at which electric energy is delivered to or by a system, part of a system, or a piece of equipment. It is expressed in kilowatts (kW) at a given instant or averaged over any designated period of time. The primary source of “Demand” is the power-consuming equipment of the customers.

Demand Charge – That portion of the charge for electric service based upon the electric capacity (kW or kVA) consumed and billed on the basis of billing demand under an applicable rate schedule.

Demand (Coincident) – The sum of two or more demands which occur in the same demand interval.

Demand (Instantaneous Peak) – The maximum demand at the instant of greatest load, usually determined from the readings of indicating or graphic meters.

Demand (Non-Coincident) – The sum of two or more individual demands which do not occur in the same demand interval.

Distribution – The act or process of distributing electric energy from convenient points on the transmission system to consumers. Also a functional classification relating to that portion of utility plant used for the purpose of delivering electric energy from convenient points on the transmission system to consumers, or to expenses relating to the operation and maintenance of distribution plant.

Energy Charge – That portion of the charge for electric service based upon the electric energy (kWh) consumed or billed.

Expense - A use of financial resources to acquire goods or services consumed in a single year’s current operation.

Facilities - This category of assets includes all KEYS buildings, as well as construction & improvement to all properties, such as roofing, fencing, landscaping, renovations, painting, shutters, security devices (cameras), furniture & fixtures, lockers, and signs.

FERC – Federal Energy Regulatory Commission; prescribes a type of accounting for electric utilities.

Fiscal Year – A 12-month period that determines the time frame for financial budget. At the end of the fiscal year, the financial position and results of operations are determined. For KEYS, the fiscal year runs from October 1 through September 30.

Fleets - Assets including Automobiles, Pick-up Trucks, Vans, Utility Body Pick-up Trucks, Stake Body Dump Trucks, Bucket Trucks, Digger Derrick Trucks, Boom Trucks, Forklifts, Chippers, Boats, Boat trailers, & Material trailers.

FMPA – Florida Municipal Power Agency.

Fund – In governmental accounting, a sum of money created and maintained for a particular purpose and having transactions subject to administrative and legal restrictions.

Funds – Cash, securities, or other liquid assets available to be expended for other uses such as capital assets, debt retirement, and operating expenses.

Generally Accepted Accounting Principles (GAAP) – The conventions, procedures, and rules necessary to define an accepted accounting practice at a particular time. The principles have been developed on the basis of experience, custom, usage, and to a significant extent, practical necessity.

Generation Credit – Includes credits received from the Florida Municipal Power Authority All-Requirements Project related to reserve capacity and variable diesel generation operation & maintenance.

Generation Facilities – a plant containing prime movers, electric generators, and auxiliary equipment for converting mechanical and chemical energy into electric energy.

Gross Receipt Tax – A tax on the collection of cash receipts, required by and remitted to the State of Florida.

Information Technology - Assets including Personal Computers, Laptops, Routers, Scanners, Cabling, Software, Licensing, & Servers.

Kilovolt (kV) – The unit of electrical potential equal to 1,000 volts, where a volt is a unit of electromotive force or electric pressure analogous to water pressure in pounds per square inch.

Kilovoltampere (kVA) – One kilovoltampere equals 1,000 voltamperes, where a voltamperes of an electric circuit are the mathematical product of the volts and amperes of the circuit.

Kilowatt (kW) – One kilowatt equals 1,000 watts.

Kilowatt Hour (kWh) – The basic unit of electric energy equal to one kilowatt of power supplied to or taken from an electric circuit steadily for one hour. One kilowatthour equals 1,000 watthours.

Maintenance Expenses – A subdivision of Operating & Maintenance Expenses; includes labor, materials, and other direct and indirect expenses incurred for preserving the operating efficiency or physical condition of utility plant used for power production, transmission and distribution of energy, and administrative and general operation.

Operating Expenses – A subdivision of Operating & Maintenance Expenses; includes labor, materials, and other expenses for: Production, Transmission and Distribution, Customer Accounts, Customer Service, and Administrative and General.

Power Cost Adjustment (PCA) – A portion of the total monthly electric usage charge; adjusts the bill so the bill includes the estimated power costs for the period. There will be an adjustment to the monthly power cost adjustment calculation to correct any difference between estimated costs and actual costs for the second month preceding the billing period.

Power Factor – Power factor is the ratio of real power (kW) to apparent power (kVA) at any given point and time in an electrical circuit. Generally it is expressed as a percentage ratio.

Proposed Budget – The operating program and the Financial Plan prepared by the General Manager and staff and presented to the Utility Board and the public for review and comment.

Revenue Bond – A bond that is payable from the revenue generated from the operation of the Utility. Any other revenues the Utility Board decides to pledge can also secure a revenue bond.

Strategic Planning Session - Conference to determine mission, vision, values, goals, objectives, roles and responsibilities, etc.

Transmission – A functional classification relating to that portion of utility plant used for the purpose of transmitting electric energy in bulk to other principal parts of the system or to other utility systems, or to expenses relating to the operation and maintenance of transmission plant.

Utility Plant in Service – That portion of a utility's plant which is devoted to the operations of the Utility.