

## Financial Plan - Overview

	<b>Amended</b>					
	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
Number of Customers	29,731	29,976	30,220	30,469	30,713	30,959
Sales of Electricity - kWh	742,485,788	705,361,498	724,324,010	743,810,301	758,267,056	771,250,521
Increase compared to prior year projected	0.00%	-5.00%	2.69%	2.69%	1.94%	1.71%
Total Revenues	\$ 104,330,954	\$ 108,984,766	\$ 110,634,967	\$ 115,951,837	\$ 122,564,234	\$ 125,947,930
Operation & Maintenance Expense	\$ 92,071,601	\$ 95,063,738	\$ 97,675,768	\$ 100,764,457	\$ 103,547,123	\$ 106,949,390
Total Transfers	<u>11,605,601</u>	<u>15,319,444</u>	<u>12,993,669</u>	<u>15,141,092</u>	<u>19,040,153</u>	<u>18,805,444</u>
Total Disbursements	<u>\$ 103,677,203</u>	<u>\$ 110,383,182</u>	<u>\$ 110,669,437</u>	<u>\$ 115,905,549</u>	<u>\$ 122,587,276</u>	<u>\$ 125,754,834</u>
Restricted Fund Balances	<u>\$ 53,940,395</u>	<u>\$ 33,493,916</u>	<u>\$ 23,336,787</u>	<u>\$ 23,352,008</u>	<u>\$ 23,533,077</u>	<u>\$ 23,714,559</u>
Current Fund Balances	<u>\$ 7,344,980</u>	<u>\$ 6,746,564</u>	<u>\$ 7,337,094</u>	<u>\$ 7,858,383</u>	<u>\$ 7,860,340</u>	<u>\$ 8,253,436</u>
Debt Service Coverage						
Before Capitalized Overhead	<u>1.35</u>	<u>1.58</u>	<u>1.54</u>	<u>1.50</u>	<u>1.83</u>	<u>1.83</u>
Capital Budget Funding Level	<u>\$ 6,083,596</u>	<u>\$ 25,522,302</u>	<u>\$ 12,332,566</u>	<u>\$ 4,189,318</u>	<u>\$ 8,264,736</u>	<u>\$ 7,847,467</u>
Payment to City of Key West, FL	\$ 378,769	\$ 370,294	\$ 407,625	\$ 418,023	\$ 456,722	\$ 464,538
In Kind Services provided to the City of Key West, FL.	<u>364,417</u>	<u>371,705</u>	<u>379,139</u>	<u>386,722</u>	<u>394,457</u>	<u>402,346</u>
Total to the City of Key West,FL	<u>\$ 743,186</u>	<u>\$ 741,999</u>	<u>\$ 786,765</u>	<u>\$ 804,746</u>	<u>\$ 851,178</u>	<u>\$ 866,883</u>

## Comparison of the Financial Plan - Overview

	Amended					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b><u>Number of Customers</u></b>						
Proposed FY 08 Budget	29,731	29,976	30,220	30,469	30,713	30,959
Approved FY 07 Budget	29,731	29,976	30,220	30,469	30,713	30,959
<b><u>Sales of Electricity - kWh</u></b>						
Proposed FY 08 Budget	742,485,788	705,361,498	724,324,010	743,810,301	758,267,056	771,250,521
Approved FY 07 Budget	742,485,788	755,479,289	768,700,177	782,152,430	795,840,097	809,757,805
<b><u>Total Revenues</u></b>						
Proposed FY 08 Budget	\$ 104,330,954	\$ 108,984,766	\$ 110,634,967	\$ 115,951,837	\$122,564,234	\$125,947,930
Approved FY 07 Budget	\$ 104,920,286	\$ 107,898,945	\$ 119,064,613	\$ 135,435,094	\$127,518,003	\$126,863,827
<b><u>Operation &amp; Maintenance Expense</u></b>						
Proposed FY 08 Budget	\$ 92,071,601	\$ 95,063,738	\$ 97,675,768	\$ 100,764,457	\$103,547,123	\$106,949,390
Approved FY 07 Budget	\$ 91,936,696	\$ 96,223,214	\$ 100,051,303	\$ 105,207,662	\$105,740,888	\$108,332,647
<b><u>Total Transfers</u></b>						
Proposed FY 08 Budget	\$ 11,605,601	\$ 15,319,444	\$ 12,993,669	\$ 15,141,092	\$19,040,153	\$18,805,444
Approved FY 07 Budget	\$ 13,176,397	\$ 10,874,535	\$ 20,176,986	\$ 29,931,737	\$21,908,143	\$18,378,085
<b><u>Total Disbursements</u></b>						
Proposed FY 08 Budget	\$103,677,203	\$ 110,383,182	\$ 110,669,437	\$ 115,905,549	\$122,587,276	\$125,754,834
Approved FY 07 Budget	\$105,113,093	\$ 107,097,749	\$ 120,228,290	\$ 135,139,398	\$127,649,031	\$126,710,732
<b><u>Restricted Fund Balances</u></b>						
Proposed FY 08 Budget	\$ 53,940,395	\$ 33,493,916	\$ 23,336,787	\$ 23,352,008	\$ 23,533,077	\$23,714,559
Approved FY 07 Budget	\$ 55,176,888	\$ 41,021,363	\$ 30,326,954	\$ 20,509,311	\$20,486,354	\$21,728,556
<b><u>Current Fund Balances</u></b>						
Proposed FY 08 Budget	\$ 7,344,980	\$ 6,746,564	\$ 7,337,094	\$ 7,858,383	\$7,860,340	\$8,253,436
Approved FY 07 Budget	\$ 6,458,421	\$ 7,809,616	\$ 7,165,940	\$ 8,236,635	\$8,730,608	\$8,883,702
<b><u>Debt Service Coverage</u></b>						
Before Capitalized Overhead						
Proposed FY 08 Budget	1.35	1.58	1.54	1.50	1.83	1.83
Approved FY 07 Budget	1.38	1.42	2.37	2.86	2.10	1.94
<b><u>Capital Budget Funding Level</u></b>						
Proposed FY 08 Budget	\$ 6,083,596	\$ 25,522,302	\$ 12,332,566	\$ 4,189,318	\$8,264,736	\$7,847,467
Approved FY 07 Budget	\$ 11,005,295	\$ 15,137,650	\$ 19,114,868	\$ 19,667,905	\$10,725,983	\$9,224,535
<b><u>Payment to City of Key West, FL</u></b>						
Proposed FY 08 Budget	\$ 378,769	\$ 370,294	\$ 407,625	\$ 418,023	\$456,722	\$464,538
Approved FY 07 Budget	\$ 377,762	\$ 384,592	\$ 421,232	\$ 428,778	\$467,491	\$475,388

## Financial Plan - Sources and Uses of Funds

Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
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### Revenues

Number of Customers	29,731	29,976	30,220	30,469	30,713	30,959
Sales of Electricity - kWh	742,485,788	705,361,498	724,324,010	743,810,301	758,267,056	771,250,521
increase from prior year sales	0.00%	-5.00%	2.69%	2.69%	1.94%	1.71%
Operating Revenues	\$ 99,236,029	\$ 99,131,271	\$ 104,382,435	\$ 108,089,400	\$ 114,433,203	\$ 117,675,308
Other Operating Revenue	2,553,882	3,173,239	3,231,913	3,291,625	3,352,811	3,415,514
Non-Operating Revenue (Interest Income)	1,703,924	1,945,553	1,806,386	2,029,277	2,165,061	1,979,629
Non-Operating Revenue (Other)	<u>837,120</u>	<u>4,734,704</u>	<u>1,214,234</u>	<u>2,541,534</u>	<u>2,613,159</u>	<u>2,692,123</u>
subtotal	5,094,925	9,853,495	6,252,532	7,862,437	8,131,031	8,087,266
Transfer from Rate Stabilization Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Revenues</b>	<b><u>\$ 104,330,954</u></b>	<b><u>\$ 108,984,766</u></b>	<b><u>\$ 110,634,967</u></b>	<b><u>\$ 115,951,837</u></b>	<b><u>\$ 122,564,234</u></b>	<b><u>\$ 125,762,575</u></b>

Average annual change compared to prior year	1.9%	4.5%	1.5%	4.8%	5.7%	2.6%
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### Operating & Maintenance Expenses

Total Purchase Power Costs	\$ 63,913,044	\$ 65,275,104	\$ 66,851,828	\$ 69,578,695	\$ 72,113,859	\$ 74,637,065
Total Other Power Supply	1,315,511	1,499,640	1,665,673	1,438,689	1,329,128	1,316,797
Total Transmission	4,098,145	4,008,044	4,177,898	4,129,219	4,207,554	4,266,959
Total Distribution Expense	4,053,000	4,487,465	4,678,089	4,607,657	4,654,675	4,792,152
Total Customer Expense	1,460,025	1,530,354	1,563,003	1,611,392	1,661,706	1,713,836
Total Admin & General Expense	<u>17,231,877</u>	<u>18,263,131</u>	<u>18,739,279</u>	<u>19,398,805</u>	<u>19,580,201</u>	<u>20,222,581</u>
<b>Total O&amp;M Expenses</b>	<b><u>\$ 92,071,601</u></b>	<b><u>\$ 95,063,738</u></b>	<b><u>\$ 97,675,768</u></b>	<b><u>\$ 100,764,457</u></b>	<b><u>\$ 103,547,123</u></b>	<b><u>\$ 106,949,390</u></b>

Average annual change compared to prior year	2.8%	3.2%	2.7%	3.2%	2.8%	3.3%
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### Transfers

To (from) Bond Sinking Fund	\$ 8,451,538	\$ 8,386,900	\$ 8,392,294	\$ 10,373,069	\$ 10,383,431	\$ 10,380,906
To (from) Renewal & Replacement Fund	415,295	5,062,250	3,568,750	3,875,000	8,175,000	7,760,000
To (from) Rate Stabilization Fund	700,000	700,000	-	-	-	-
To (from) Emergency Reserve Fund	-	-	-	-	-	-
To (from) FMPA Pooled Loan (Debt Svc)	-	-	-	-	-	-
To (from) Operating Reserve Fund	1,660,000	800,000	625,000	475,000	25,000	200,000
Payment to City of Key West, FL	<u>378,769</u>	<u>370,294</u>	<u>407,625</u>	<u>418,023</u>	<u>456,722</u>	<u>464,538</u>
<b>Total Transfers</b>	<b><u>\$ 11,605,601</u></b>	<b><u>\$ 15,319,444</u></b>	<b><u>\$ 12,993,669</u></b>	<b><u>\$ 15,141,092</u></b>	<b><u>\$ 19,040,153</u></b>	<b><u>\$ 18,805,444</u></b>

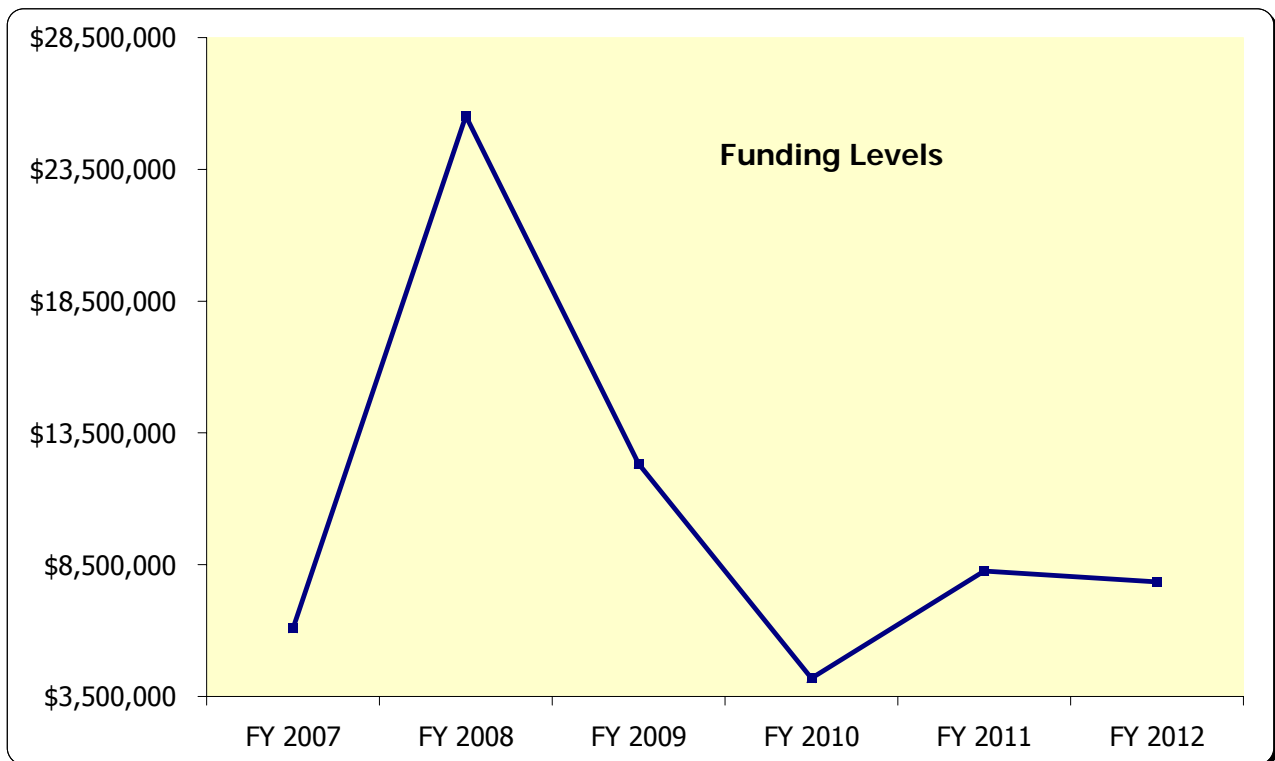
Average annual change compared to prior year	-6.0%	32.0%	-15.2%	16.5%	25.8%	-1.2%
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## Financial Plan - Capital Budget

	<b>Amended</b>					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Transmission	\$ 2,382,549	\$ 1,931,000	\$ 1,280,580	\$ 926,630	\$ 515,000	\$ 95,000
Distribution	6,403,194	11,982,802	10,063,098	6,164,998	6,000,298	3,375,804
Generation	1,635,853	1,699,000	960,000	310,000	300,000	300,000
Facilities	702,000	69,500	374,338	124,538	80,128	86,138
Fleets	710,000	765,000	780,000	220,000	60,000	430,000
Information Technology	400,000	875,500	589,550	348,153	84,310	135,525
Other	-	2,494,500	50,000	50,000	50,000	75,000
<b>Total Proposed Capital Projects</b>	<b>12,233,596</b>	<b>19,817,302</b>	<b>14,097,566</b>	<b>8,144,318</b>	<b>7,089,736</b>	<b>4,497,467</b>
Adjustment (1)	(6,150,000)	5,705,000	(1,765,000)	(3,955,000)	1,175,000	3,350,000
<b>Total Capital Project Funding Level</b>	<b>\$ 6,083,596</b>	<b>\$ 25,522,302</b>	<b>\$ 12,332,566</b>	<b>\$ 4,189,318</b>	<b>\$ 8,264,736</b>	<b>\$ 7,847,467</b>
<u>Percentage by Category</u>						
Transmission	19.5%	9.7%	9.1%	11.4%	7.3%	2.1%
Distribution	52.3%	60.5%	71.4%	75.7%	84.6%	75.1%
Generation	13.4%	8.6%	6.8%	3.8%	4.2%	6.7%
Facilities	5.7%	0.4%	2.7%	1.5%	1.1%	1.9%
Fleets	5.8%	3.9%	5.5%	2.7%	0.8%	9.6%
Information Technology	3.3%	4.4%	4.2%	4.3%	1.2%	3.0%
Other	0.0%	12.6%	0.4%	0.6%	0.7%	1.7%
<b>Total Proposed Capital Budget</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

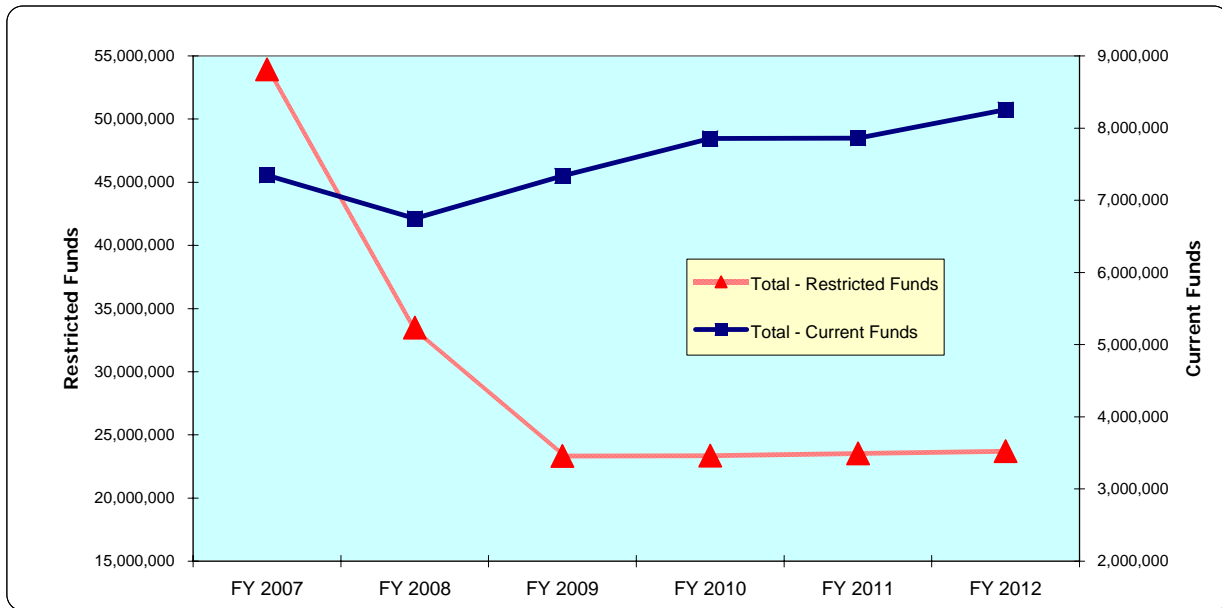
Average annual funding level change compared to prior year	-7.5%	319.5%	-51.7%	-66.0%	97.3%	-5.0%
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[(1) Proposed Projects To Be Rescheduled, deferred or carried over to another year within the five year financial plan



### Fund Balances

	Amended					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>Restricted Funds:</b>						
Bond Sinking Fund	\$ 7,879,022	\$ 8,051,800	\$ 8,221,997	\$ 8,635,879	\$ 8,838,560	\$ 9,039,797
Construction Fund	28,040,670	8,540,670	140,670	(0)	(0)	-
Capital Interest Fund	3,932,533	2,137,529	239,788	(0)	(0)	-
Capital Improvement Fund	146,400	145,200	144,000	142,800	141,600	140,400
Customer Deposits Fund	3,943,811	3,924,327	3,904,454	3,884,183	3,863,507	3,842,417
Debt Service Reserve Fund	4,072,733	4,072,733	4,072,733	4,072,733	4,072,733	4,072,733
Emergency Reserve Fund	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Rate Stabilization Fund	3,902,882	4,602,882	4,602,882	4,602,882	4,602,882	4,602,882
Renewal and Replacement Fund	22,344	18,775	10,262	13,532	13,797	16,330
<b>Total - Restricted Funds</b>	<b><u>53,940,395</u></b>	<b><u>33,493,916</u></b>	<b><u>23,336,787</u></b>	<b><u>23,352,008</u></b>	<b><u>23,533,077</u></b>	<b><u>23,714,559</u></b>
Average annual change compared to prior year	231.5%	-37.9%	-30.3%	0.1%	0.8%	0.8%
<b>Current Funds:</b>						
Revenue Fund	\$ 1,604,767	\$ 206,351	\$ 171,881	\$ 218,169	\$ 195,127	\$ 388,223
Operating Reserve Fund	5,740,214	6,540,214	7,165,214	7,640,214	7,665,214	7,865,214
<b>Total - Current Funds</b>	<b><u>7,344,980</u></b>	<b><u>6,746,564</u></b>	<b><u>7,337,094</u></b>	<b><u>7,858,383</u></b>	<b><u>7,860,340</u></b>	<b><u>8,253,436</u></b>
Average annual change compared to prior year	60.4%	-8.1%	8.8%	7.1%	0.0%	5.0%
<b>Total - All Funds</b>	<b><u>\$ 61,285,376</u></b>	<b><u>\$ 40,240,480</u></b>	<b><u>\$ 30,673,881</u></b>	<b><u>\$ 31,210,390</u></b>	<b><u>\$ 31,393,418</u></b>	<b><u>\$ 31,967,996</u></b>



### Debt Service Coverage - Before Capitalized Overhead

	<b>Amended</b>					
	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Revenues Available for Debt Service:</b>						
Sales of Electric Energy	\$ 99,236,029	\$ 99,131,271	\$ 104,382,435	\$ 108,089,400	\$ 114,433,203	\$ 117,675,308
Other Electric Revenues	<u>2,553,882</u>	<u>3,173,239</u>	<u>3,231,913</u>	<u>3,291,625</u>	<u>3,352,811</u>	<u>3,415,514</u>
subtotal	101,789,911	102,304,510	107,614,348	111,381,026	117,786,014	121,090,822
Non-Operating Revenues	2,541,043	6,680,257	3,020,619	4,570,811	4,778,220	4,671,753
Transfer from (to) Rate Stabilization Fund	<u>(700,000)</u>	<u>(700,000)</u>	-	-	-	-
Total "Debt Service Coverage" Revenues	103,630,954	108,284,766	110,634,967	115,951,837	122,564,234	125,762,575
Less: Operation & Maintenance Expense	<u>92,071,601</u>	<u>95,063,738</u>	<u>97,675,768</u>	<u>100,764,457</u>	<u>103,547,123</u>	<u>106,949,390</u>
Net Revenues Available for Debt Service	<u>11,559,353</u>	<u>13,221,028</u>	<u>12,959,199</u>	<u>15,187,380</u>	<u>19,017,111</u>	<u>18,813,185</u>
<b>Debt Service on Outstanding Bond Issues:</b>						
Series 1991 Refunding Bonds	-	-	-	-	-	-
Series 2006 Revenue Bonds	1,828,396	1,988,588	1,988,588	1,988,588	1,988,588	1,988,588
Series 2000 Forward Refunding Bonds	7,195,238	7,132,800	7,138,000	7,127,900	7,134,200	7,134,800
Series 2001 Refunding Bonds	<u>1,256,300</u>	<u>1,254,100</u>	<u>1,254,294</u>	<u>1,256,581</u>	<u>1,260,644</u>	<u>1,257,519</u>
subtotal	10,279,933	10,375,488	10,380,881	10,373,069	10,383,431	10,380,906
Less: Capitalized Interest Fund	<u>1,748,300</u>	<u>1,988,588</u>	<u>1,988,588</u>	<u>240,288</u>	-	-
Total Debt Service Requirements	<u>\$ 8,531,633</u>	<u>\$ 8,386,900</u>	<u>\$ 8,392,293</u>	<u>\$ 10,132,781</u>	<u>\$ 10,383,431</u>	<u>\$ 10,380,906</u>
<b>Debt Service Coverage Before capitalized overhead</b>	<b><u>1.35</u></b>	<b><u>1.58</u></b>	<b><u>1.54</u></b>	<b><u>1.50</u></b>	<b><u>1.83</u></b>	<b><u>1.81</u></b>
Average annual change compared to prior year	-6.9%	16.3%	-2.0%	-2.9%	22.2%	-1.0%

Resolution 532, Article V, Section 5.01, (B):

A monthly report on the calculation of Debt Service Coverage must be performed for the preceding twelve (12) months. If the coverage is below 1.25%, the Board will request the Consulting Engineers to prepare and submit a report within sixty (60) days that determines the level at which rates must be set to produce a debt service coverage of 1.30 and rates must be revised within thirty (30) days. The Board must maintain the recommended rates to produce coverage of 1.30 for three (3) consecutive years.

## Revenue Control

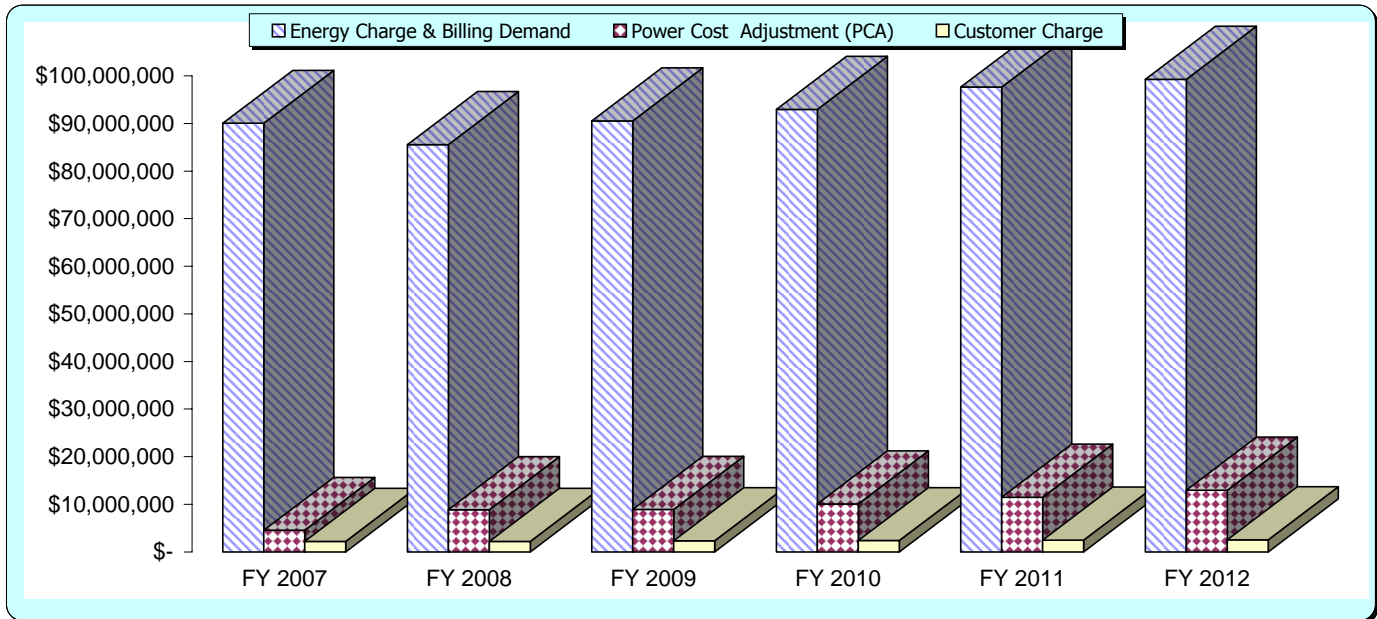
	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Number of Customers	29,731	29,976	30,220	30,469	30,713	30,959
Sales of Electricity - kWh	742,485,788	705,361,498	724,324,010	743,810,301	758,267,056	771,250,521
Increase compared to prior year projected	0.00%	-5.00%	2.69%	2.69%	1.94%	1.71%
Energy Charge & Billing Demand	\$ 90,039,967	\$ 85,585,792	\$ 90,525,134	\$ 92,949,487	\$ 97,629,827	\$ 99,285,345
Power Cost Adjustment (PCA)	4,514,181	8,846,184	8,905,907	10,073,871	11,452,495	12,937,023
Customer Charge	2,201,077	2,221,110	2,341,935	2,363,912	2,490,162	2,511,172
subtotal Electric Revenues	96,755,225	96,653,086	101,772,976	105,387,270	111,572,484	114,733,540
Gross Receipts Tax (GRT)	2,480,804	2,478,185	2,609,459	2,702,130	2,860,718	2,941,768
subtotal Operating Revenues	99,236,029	99,131,271	104,382,435	108,089,400	114,433,203	117,675,308
Other Operating Revenue	2,553,882	3,173,239	3,231,913	3,291,625	3,352,811	3,415,514
Non-Operating Revenue (Interest Income)	1,703,924	1,945,553	1,806,386	2,029,277	2,165,061	1,979,629
Non-Operating Revenue (Other)	837,120	4,734,704	1,214,234	2,541,534	2,613,159	2,692,123
Transfer from Rate Stabilization Fund	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 104,330,954</b>	<b>\$ 108,984,766</b>	<b>\$ 110,634,967</b>	<b>\$ 115,951,837</b>	<b>\$ 122,564,234</b>	<b>\$ 125,762,575</b>

Average annual change compared to prior year

	1.9%	4.5%	1.5%	4.8%	5.7%	2.6%
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Major components of electric revenue:

- 1) energy charge & billing demand are a function of the base rates approved by the Florida Public Service Commission
- 2) power cost adjustment which is designed to enable KEYS to collect the total power costs from its customers
- 3) customer charge which varies



**Number of Accounts**

	<b>Amended FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
Residential	24,057	24,245	24,424	24,595	24,806	25,020
Senior Citizens	268	270	272	274	276	278
Small Commercial	2,985	3,030	3,081	3,143	3,168	3,192
Recreation Lighting	4	4	4	4	4	4
Large Commercial	656	666	678	691	697	702
Large Commercial - Primary (1)	7	7	8	8	8	8
Military Service	1	1	1	1	1	1
Churches	15	15	15	15	15	15
Street Lighting	4	4	4	4	4	4
Area Lights	<u>1,734</u>	<u>1,734</u>	<u>1,734</u>	<u>1,734</u>	<u>1,734</u>	<u>1,734</u>
<b>Total</b>	<b><u>29,731</u></b>	<b><u>29,976</u></b>	<b><u>30,220</u></b>	<b><u>30,469</u></b>	<b><u>30,713</u></b>	<b><u>30,959</u></b>

Average annual change compared to prior year	0.0%	0.8%	0.8%	0.8%	0.8%	0.8%
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(1) This rate schedule applies to power and energy for general purposes, and is available throughout the entire territory served by Keys Energy Services to those customers that own their own transformers or primary conductors and agree to purchase a fixed minimum amount of power each month.

### Customer Charge per Billing

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	\$ 6.24	\$ 6.24	\$ 6.52	\$ 6.52	\$ 6.81	\$ 6.81
Senior Citizens	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Small Commercial	\$ 6.76	\$ 6.76	\$ 7.06	\$ 7.06	\$ 7.38	\$ 7.38
Recreation Lighting	\$ 14.28	\$ 14.28	\$ 14.92	\$ 14.92	\$ 15.59	\$ 15.59
Large Commercial	\$ 19.24	\$ 19.24	\$ 20.11	\$ 20.11	\$ 21.01	\$ 21.01
Large Commercial - Primary (1)	\$ 19.24	\$ 19.24	\$ 20.11	\$ 20.11	\$ 21.01	\$ 21.01
Military Service	\$ 19.24	\$ 19.24	\$ 20.11	\$ 20.11	\$ 21.01	\$ 21.01
Churches	\$ 19.24	\$ 19.24	\$ 20.11	\$ 20.11	\$ 21.01	\$ 21.01
Street Lighting	-	-	-	-	-	-
Area Lights	-	-	-	-	-	-

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### Customer Charge Revenue

	Amended					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	\$ 1,801,379	\$ 1,815,429	\$ 1,910,928	\$ 1,924,305	\$ 2,027,180	\$ 2,044,614
Senior Citizens	-	-	-	-	-	-
Small Commercial	242,145	245,777	261,048	266,269	280,520	282,719
Recreation Lighting	691	691	722	722	754	754
Large Commercial	151,552	153,825	163,514	166,785	175,615	176,992
Large Commercial - Primary (1)	1,693	1,719	1,827	1,864	1,947	1,947
Military Service	231	231	241	241	252	252
Churches	3,387	3,437	3,654	3,727	3,894	3,894
Street Lighting	-	-	-	-	-	-
Area Lights	-	-	-	-	-	-
<b>Total</b>	<b><u>\$ 2,201,077</u></b>	<b><u>\$ 2,221,110</u></b>	<b><u>\$ 2,341,935</u></b>	<b><u>\$ 2,363,912</u></b>	<b><u>\$ 2,490,162</u></b>	<b><u>\$ 2,511,172</u></b>

Average annual change compared to prior year	4.0%	0.9%	5.4%	0.9%	5.3%	0.8%
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### Energy Sales (kWh)

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	331,658,975	315,076,026	323,740,617	332,643,484	339,296,353	345,234,040
Senior Citizens	2,230,890	2,119,345	2,177,627	2,237,512	2,282,262	2,322,202
Small Commercial	74,399,389	70,679,419	72,623,103	74,620,239	76,112,643	77,444,615
Recreation Lighting	216,913	206,067	209,158	212,295	215,480	219,251
Large Commercial	229,758,711	218,270,776	224,818,899	231,563,466	236,194,735	240,328,143
Large Commercial - Primary (1)	18,217,030	17,306,178	17,825,364	18,360,125	18,727,327	19,055,055
Military Service	81,133,267	77,076,604	78,232,753	79,406,244	80,597,338	81,806,298
Churches	506,129	480,823	488,035	495,356	505,263	505,263
Street Lighting	2,892,168	2,747,560	2,788,773	2,830,605	2,873,064	2,873,064
Area Lights	<u>1,472,316</u>	<u>1,398,700</u>	<u>1,419,681</u>	<u>1,440,976</u>	<u>1,462,591</u>	<u>1,462,591</u>
<b>Total</b>	<b><u>742,485,788</u></b>	<b><u>705,361,498</u></b>	<b><u>724,324,010</u></b>	<b><u>743,810,301</u></b>	<b><u>758,267,056</u></b>	<b><u>771,250,521</u></b>
Average annual change compared to prior year	0.00%	-5.00%	2.69%	2.69%	1.94%	1.71%

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### Energy Charge per kWh

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	\$ 0.1231	\$ 0.1231	\$ 0.1268	\$ 0.1268	\$ 0.1307	0.1307
Senior Citizens	\$ 0.1231	\$ 0.1231	\$ 0.1268	\$ 0.1268	\$ 0.1307	0.1307
Small Commercial	\$ 0.1278	\$ 0.1278	\$ 0.1317	\$ 0.1317	\$ 0.1359	0.1359
Recreation Lighting	\$ 0.1486	\$ 0.1486	\$ 0.1535	\$ 0.1535	\$ 0.1586	0.1586
Large Commercial	\$ 0.1029	\$ 0.1029	\$ 0.1058	\$ 0.1058	\$ 0.1087	0.1087
Large Commercial - Primary (1)	\$ 0.1022	\$ 0.1022	\$ 0.1050	\$ 0.1050	\$ 0.1079	0.1079
Military Service	\$ 0.1022	\$ 0.1022	\$ 0.1050	\$ 0.1050	\$ 0.1079	0.1079
Churches	\$ 0.1231	\$ 0.1231	\$ 0.1268	\$ 0.1268	\$ 0.1307	0.1307
Street Lighting	\$ 0.1321	\$ 0.1321	\$ 0.1363	\$ 0.1363	\$ 0.1406	0.1406
Area Lights	\$ 0.1735	\$ 0.1735	\$ 0.1795	\$ 0.1795	\$ 0.1856	0.1856
<b>Power Cost Adjustment</b>	<b>\$ 0.0061</b>	<b>\$ 0.0125</b>	<b>\$ 0.0123</b>	<b>\$ 0.0135</b>	<b>\$ 0.0151</b>	<b>\$ 0.0168</b>
<b>Power Cost in Base</b>	<b>\$ 0.0800</b>	<b>\$ 0.0800</b>	<b>\$ 0.0800</b>	<b>\$ 0.0800</b>	<b>\$ 0.0800</b>	<b>\$ 0.0800</b>

(1) This rate schedule applies to power and energy for general purposes, and is available throughout the entire territory served by Keys Energy Services to those customers that own their own transformers or primary conductors and agree to purchase a fixed minimum amount of power each month.

### Energy Charge Revenue

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	\$ 40,825,893	\$ 38,784,599	\$ 41,050,310	\$ 42,179,194	\$ 44,346,033	\$ 45,122,089
Senior Citizens	274,614	260,883	276,123	283,717	\$ 298,292	303,512
Small Commercial	9,506,456	9,031,133	9,564,463	9,827,485	\$ 10,343,708	10,524,723
Recreation Lighting	32,228	30,617	32,106	32,587	\$ 34,175	34,773
Large Commercial	23,646,767	22,464,428	23,785,840	24,499,415	\$ 25,674,368	26,123,669
Large Commercial - Primary (1)	1,861,635	1,768,553	1,871,663	1,927,813	\$ 2,020,679	2,056,040
Military Service	8,291,171	7,876,612	8,214,439	8,337,656	\$ 8,696,453	8,826,900
Churches	62,303	59,187	61,883	62,811	\$ 66,038	66,038
Street Lighting	382,183	363,074	380,110	385,811	\$ 403,953	403,953
Area Lights	255,500	242,725	254,833	258,655	\$ 271,457	271,457
<b>Total</b>	<b>\$ 85,138,748</b>	<b>\$ 80,881,811</b>	<b>\$ 85,491,769</b>	<b>\$ 87,795,144</b>	<b>\$ 92,155,155</b>	<b>\$ 93,733,154</b>

Average annual change compared to prior year	59.7%	-5.0%	5.7%	2.7%	5.0%	1.7%
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### Billing Demand (kW)

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	-	-	-	-	-	-
Senior Citizens	-	-	-	-	-	-
Small Commercial	-	-	-	-	-	-
Recreation Lighting	-	-	-	-	-	-
Large Commercial	543,271	516,107	531,590	547,538	558,489	568,262
Large Commercial - Primary (1)	46,419	44,098	45,421	46,784	47,720	48,555
Military Service	145,164	145,164	145,164	145,164	145,164	145,164
Churches	8,450	8,450	8,450	8,450	8,450	8,450
Street Lighting	-	-	-	-	-	-
Area Lights	-	-	-	-	-	-
<b>Total</b>	<u><b>743,305</b></u>	<u><b>713,820</b></u>	<u><b>730,626</b></u>	<u><b>747,937</b></u>	<u><b>759,823</b></u>	<u><b>770,432</b></u>

Average annual change compared to prior year	0.0%	-4.0%	2.4%	2.4%	1.6%	1.4%
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### Billing Demand per kW

	Amended					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Senior Citizens	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Small Commercial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recreation Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Large Commercial	\$ 6.71	\$ 6.71	\$ 7.01	\$ 7.01	\$ 7.33	\$ 7.33
Large Commercial - Primary (1)	\$ 6.45	\$ 6.45	\$ 6.74	\$ 6.74	\$ 7.04	\$ 7.04
Military Service	\$ 6.48	\$ 6.48	\$ 6.78	\$ 6.78	\$ 7.08	\$ 7.08
Churches	\$ 1.87	\$ 1.87	\$ 1.96	\$ 1.96	\$ 2.04	\$ 2.04
Street Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Area Lights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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## Billing Demand Revenue

	Amended					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Senior Citizens	-	-	-	-	-	-
Small Commercial	-	-	-	-	-	-
Recreation Lighting	-	-	-	-	-	-
Large Commercial	3,645,347	3,463,079	3,726,449	3,838,242	4,093,724	4,165,364
Large Commercial - Primary (1)	299,405	284,435	306,140	315,325	335,947	341,826
Military Service	940,665	940,665	984,214	984,214	1,027,763	1,027,763
Churches	15,802	15,802	16,563	16,563	17,239	17,239
Street Lighting	-	-	-	-	-	-
Area Lights	-	-	-	-	-	-
<b>Total</b>	<b><u>\$ 4,901,219</u></b>	<b><u>\$ 4,703,981</u></b>	<b><u>\$ 5,033,366</u></b>	<b><u>\$ 5,154,343</u></b>	<b><u>\$ 5,474,672</u></b>	<b><u>\$ 5,552,191</u></b>

Average annual change compared to prior year	4.8%	-4.0%	7.0%	2.4%	6.2%	1.4%
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## Energy Charge & Billing Demand Revenue

	<b>Amended FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
Residential	\$ 40,825,893	\$ 38,784,599	\$ 41,050,310	\$ 42,179,194	\$ 44,346,033	\$ 45,122,089
Senior Citizens	274,614	260,883	276,123	283,717	298,292	303,512
Small Commercial	9,506,456	9,031,133	9,564,463	9,827,485	10,343,708	10,524,723
Recreation Lighting	32,228	30,617	32,106	32,587	34,175	34,773
Large Commercial	27,292,113	25,927,508	27,512,288	28,337,657	29,768,091	30,289,033
Large Commercial - Primary (1)	2,161,040	2,052,988	2,177,804	2,243,138	2,356,626	2,397,867
Military Service	9,231,835	8,817,277	9,198,653	9,321,870	9,724,216	9,854,663
Churches	78,105	74,989	78,445	79,374	83,276	83,276
Street Lighting	382,183	363,074	380,110	385,811	403,953	403,953
Area Lights	255,500	242,725	254,833	258,655	271,457	271,457
<b>Total</b>	<b><u>\$ 90,039,967</u></b>	<b><u>\$ 85,585,792</u></b>	<b><u>\$ 90,525,134</u></b>	<b><u>\$ 92,949,487</u></b>	<b><u>\$ 97,629,827</u></b>	<b><u>\$ 99,285,345</u></b>

Average annual change compared to prior year	55.3%	-4.9%	5.8%	2.7%	5.0%	1.7%
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(1) This rate schedule applies to power and energy for general purposes, and is available throughout the entire territory served by Keys Energy Services to those customers that own their own transformers or primary conductors and agree to purchase a fixed minimum amount of power each month.

### Power Cost Adjustment per kWh

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	\$ 0.0061	\$ 0.0125	\$ 0.0123	\$ 0.0135	\$ 0.0151	\$ 0.0168
Senior Citizens	\$ 0.0061	\$ 0.0125	\$ 0.0123	\$ 0.0135	\$ 0.0151	\$ 0.0168
Small Commercial	\$ 0.0061	\$ 0.0125	\$ 0.0123	\$ 0.0135	\$ 0.0151	\$ 0.0168
Recreation Lighting	\$ 0.0061	\$ 0.0125	\$ 0.0123	\$ 0.0135	\$ 0.0151	\$ 0.0168
Large Commercial	\$ 0.0061	\$ 0.0125	\$ 0.0123	\$ 0.0135	\$ 0.0151	\$ 0.0168
Large Commercial - Primary (1)	\$ 0.0061	\$ 0.0125	\$ 0.0123	\$ 0.0135	\$ 0.0151	\$ 0.0168
Military Service	\$ 0.0061	\$ 0.0125	\$ 0.0123	\$ 0.0135	\$ 0.0151	\$ 0.0168
Churches	\$ 0.0061	\$ 0.0125	\$ 0.0123	\$ 0.0135	\$ 0.0151	\$ 0.0168
Street Lighting	\$ 0.0061	\$ 0.0125	\$ 0.0123	\$ 0.0135	\$ 0.0151	\$ 0.0168
Area Lights	\$ 0.0061	\$ 0.0125	\$ 0.0123	\$ 0.0135	\$ 0.0151	\$ 0.0168
Average annual change compared to prior year	-78.4%	106.3%	-2.0%	10.2%	11.5%	11.1%

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## Power Cost Adjustment Revenue

	<b>Amended FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
Residential	\$ 2,016,427	\$ 3,951,478	\$ 3,980,544	\$ 4,505,191	\$ 5,124,566	\$ 5,790,986
Senior Citizens	13,563	26,579	26,775	30,304	34,470	38,953
Small Commercial	452,335	886,415	892,935	1,010,627	1,149,568	1,299,063
Recreation Lighting	1,319	2,584	2,572	2,875	3,255	3,678
Large Commercial	1,396,892	2,737,410	2,764,255	3,136,204	3,567,370	4,031,285
Large Commercial - Primary (1)	110,756	217,043	219,171	248,662	282,848	319,631
Military Service	493,276	966,645	961,909	1,075,447	1,217,303	1,372,226
Churches	3,077	6,030	6,001	6,709	7,631	8,475
Street Lighting	17,584	34,458	34,289	38,337	43,393	48,193
Area Lights	8,951	17,542	17,456	19,516	22,090	24,534
<b>Total</b>	<b><u>\$ 4,514,181</u></b>	<b><u>\$ 8,846,184</u></b>	<b><u>\$ 8,905,907</u></b>	<b><u>\$ 10,073,871</u></b>	<b><u>\$ 11,452,495</u></b>	<b><u>\$ 12,937,023</u></b>

Average annual change  
compared to prior year

-86.5%

96.0%

0.7%

13.1%

13.7%

13.0%

(1) This rate schedule applies to power and energy for general purposes, and is available throughout the entire territory served by Keys Energy Services to those customers that own their own transformers, primary conductors and agreeing to purchase a fixed minimum amount of power each month.

### Gross Receipts Tax (GRT) Charged

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Billing Demand Revenue	\$ 4,901,219	\$ 4,703,981	\$ 5,033,366	\$ 5,154,343	\$ 5,474,672	\$ 5,552,191
Energy Charge	85,138,748	80,881,811	85,491,769	87,795,144	92,155,155	93,733,154
Power Cost Adjustment	4,514,181	8,846,184	8,905,907	10,073,871	11,452,495	12,937,023
Customer Charges	<u>2,201,077</u>	<u>2,221,110</u>	<u>2,341,935</u>	<u>2,363,912</u>	<u>2,490,162</u>	<u>2,511,172</u>
subtotal	<u>96,755,225</u>	<u>96,653,086</u>	<u>101,772,976</u>	<u>105,387,270</u>	<u>111,572,484</u>	<u>114,733,540</u>
Effective Tax Rate	<u>2.56%</u>	<u>2.56%</u>	<u>2.56%</u>	<u>2.56%</u>	<u>2.56%</u>	<u>2.56%</u>
<b>Gross Receipts Tax</b>	<b><u>\$ 2,480,804</u></b>	<b><u>\$ 2,478,185</u></b>	<b><u>\$ 2,609,459</u></b>	<b><u>\$ 2,702,130</u></b>	<b><u>\$ 2,860,718</u></b>	<b><u>\$ 2,941,768</u></b>

Average annual change compared to prior year	3.5%	-0.1%	5.3%	3.6%	5.9%	2.8%
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## Other Operating Revenue

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
FMPA Reserve Capacity Credit (1)	\$ 1,066,000	\$ 1,066,000	\$ 1,066,000	\$ 1,066,000	\$ 1,066,000	\$ 1,066,000
FMPA Diesel Variable O&M (2)	45,000	45,000	45,000	45,000	45,000	45,000
FMPA Start up Credits (3)	145,000	145,000	145,000	145,000	145,000	145,000
FKEC Reserve Capacity Charges (4)	432,000	432,000	432,000	432,000	432,000	432,000
FMPA Shared Costs - Security Guard	70,000	72,000	73,080	74,176	75,289	76,418
FMPA Payroll Reimbursement		430,000	447,200	465,088	483,692	503,039
Meter Tampering	3,045	8,000	8,120	8,242	8,365	8,491
Penalty Charges	480,000	606,000	615,090	624,316	633,681	643,186
Service Charges	200,000	220,000	223,300	226,650	230,049	233,500
Temporary Disconnects	32,500	40,000	41,000	41,615	42,239	42,873
Initial Permanent Service Charge	55,825	56,662	57,512	58,375	59,251	60,139
Trouble Calls	5,075	6,500	6,598	6,696	6,797	6,899
NSF Check Charge	9,135	10,500	10,658	10,817	10,980	11,144
Line Extension Fees	10,302	10,457	10,613	10,773	10,934	11,098
<b>Total</b>	<b><u>\$ 2,553,882</u></b>	<b><u>\$ 3,148,119</u></b>	<b><u>\$ 3,181,171</u></b>	<b><u>\$ 3,214,748</u></b>	<b><u>\$ 3,249,277</u></b>	<b><u>\$ 3,284,788</u></b>

Average annual change compared to  
prior year

-18.5%      23.3%      1.0%      1.1%      1.1%      1.1%

Inflation Rate

2.0%      2.0%      2.0%      2.0%      2.0%      2.0%

(1) Florida Municipal Power Agency (FMPA) capacity credits are included in a contractual agreement for providing capacity from KEYS owned generation. The calculation varies depending upon the type of unit.

(2) FMPA diesel variable operation & maintenance (O&M) credits are included in a contractual agreement with FMPA in return for maintaining FMPA's generation located in KEYS service area. The calculation varies depending upon the type of generating unit

(3) FMPA start-ups credits are included in a contractual agreement with FMPA in return for starting KEYS owned generation when requested to do so. The calculation varies depending on the type of generating unit. The number of start-ups and MW's were estimated for budget purposes.

(4) FKEC reserve capacity charges are included in a contractual agreement with the Florida Keys Electric Cooperative for providing a minimum capacity of 12,000 megawatt hours from KEYS owned generation. The monthly charge is at the rate of \$3.00 per megawatt hour.

## Interest Income

	<b>Amended FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
Revenue Fund	\$ 663,000	\$ 650,000	\$ 585,000	\$ 585,000	\$ 585,000	\$ 585,000
Bond Sinking Fund	177,351	196,976	181,165	369,990	388,615	397,735
Debt Service Reserve Fund	169,909	185,355	185,355	185,355	185,355	185,355
Capital Improvement Fund	7,528	7,320	6,534	6,480	6,426	6,372
Customer Deposits Fund	202,109	197,191	176,595	175,700	174,788	173,858
Emergency Reserve Fund	102,000	100,000	90,000	90,000	90,000	90,000
Operating Reserve Fund	208,091	287,011	294,310	322,435	343,810	344,935
Rate Stabilization Fund	163,347	195,144	207,130	207,130	207,130	207,130
Renewal & Replacement Fund	10,590	126,556	80,297	87,188	183,938	174,600
<b>Total</b>	<b><u>\$ 1,703,924</u></b>	<b><u>\$ 1,945,553</u></b>	<b><u>\$ 1,806,386</u></b>	<b><u>\$ 2,029,277</u></b>	<b><u>\$ 2,165,061</u></b>	<b><u>\$2,164,985</u></b>

Average annual change  
compared to prior year

169.2%      14.2%      -7.2%      12.3%      6.7%      0.0%

Interest Rate

5.1%      5.0%      4.5%      4.5%      4.5%      4.5%

## Non-Operating Revenue

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Joint Tree Trimming Project	\$ 137,918	\$ 140,676	\$ 143,490	\$ 146,360	\$ 149,287	\$ 152,273
Bellsouth Pole Rental	184,196	193,406	203,076	213,230	223,892	235,086
Comcast Pole Rental	150,150	157,658	165,540	173,817	182,508	191,634
Stock Island Rental [Front Street]	41,200	42,436	43,709	45,020	46,371	47,762
FKEC Pole Attachment Rental	22,660	23,340	24,040	24,761	25,504	26,269
Cingular Smokestack Rental	44,651	46,884	49,228	51,689	54,274	56,988
CT 2, 3, & 4	135,606	360,000	378,000	396,900	416,745	437,582
USCG Smokestack Rental	6,242	6,429	6,622	4,547		
Key West Steam Plant Contribution	-	550,000	100,000	102,000	104,040	106,121
Key West Steam Plant Contribution - excess sales price	-	1,177,000	-	-	-	-
Other Revenue	81,285	65,000	65,975	66,965	67,969	68,989
EPA Refunds and/or SO2 Emission Credit Auction and Sale Proceeds	33,211	33,875	34,553	1,316,244	1,342,569	1,369,420
Sale of Cudjoe Key Property		1,938,000				
<b>Total</b>	<b><u>\$ 837,120</u></b>	<b><u>\$ 4,734,704</u></b>	<b><u>\$ 1,214,234</u></b>	<b><u>\$ 2,541,534</u></b>	<b><u>\$ 2,613,159</u></b>	<b><u>\$ 2,692,123</u></b>

Average annual change compared to prior year	1.3%	465.6%	-74.4%	109.3%	2.8%	3.0%
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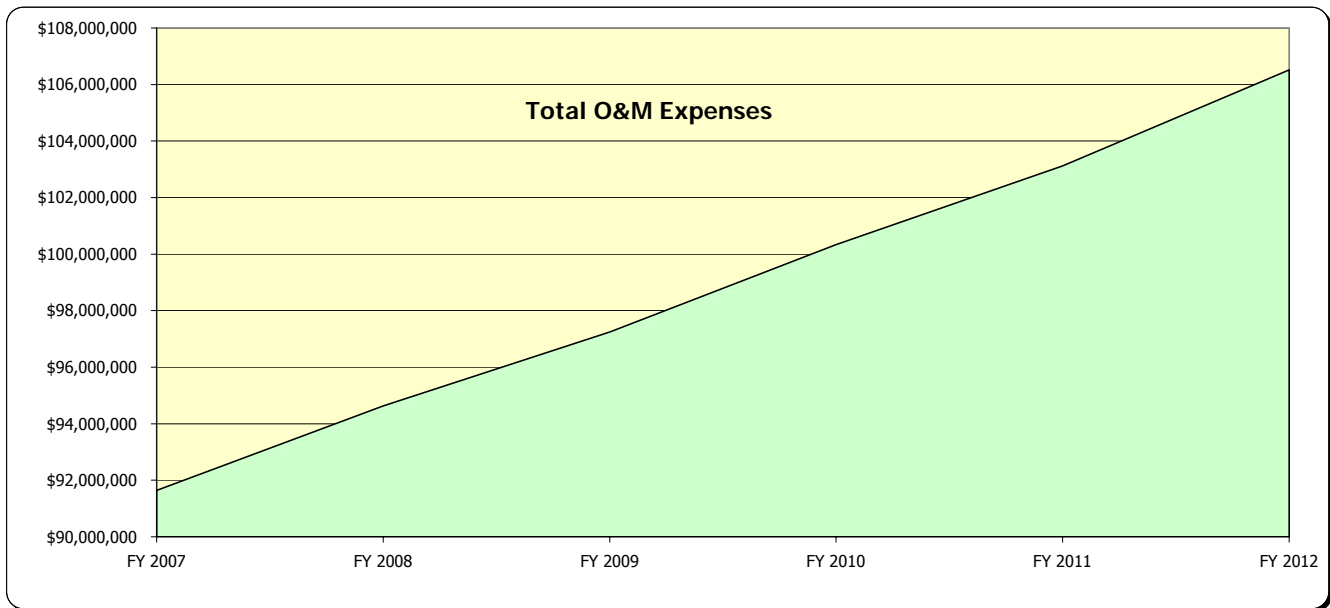
Inflation Rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
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### Operations & Maintenance Expenses

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Total Purchased Power Costs	\$ 63,481,044	\$ 64,843,104	\$ 66,419,828	\$ 69,146,695	\$ 71,681,859	\$74,205,065
Total Other Power Supply	1,315,511	1,499,640	1,665,673	1,438,689	1,329,128	1,316,797
Total Transmission Expense	4,098,145	4,008,044	4,177,898	4,129,219	4,207,554	4,266,959
Total Distribution Expense	4,053,000	4,487,465	4,678,089	4,607,657	4,654,675	4,792,152
Total Customer Expense	1,460,025	1,530,354	1,563,003	1,611,392	1,661,706	1,713,836
Total A&G and Tax Expense	<u>17,231,877</u>	<u>18,263,131</u>	<u>18,739,279</u>	<u>19,398,805</u>	<u>19,580,201</u>	<u>20,222,581</u>
<b>Total O &amp; M expenses</b>	<b><u>\$ 91,639,601</u></b>	<b><u>\$ 94,631,738</u></b>	<b><u>\$ 97,243,768</u></b>	<b><u>\$ 100,332,457</u></b>	<b><u>\$ 103,115,123</u></b>	<b><u>\$ 106,517,390</u></b>

Add:						
Capacity Reservation Revenue	432,000	432,000	432,000	432,000	432,000	432,000
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Grand Total O &amp; M expenses</b>	<b><u>\$ 92,071,601</u></b>	<b><u>\$ 95,063,738</u></b>	<b><u>\$ 97,675,768</u></b>	<b><u>\$ 100,764,457</u></b>	<b><u>\$ 103,547,123</u></b>	<b><u>\$ 106,949,390</u></b>

Average annual change compared to prior year	2.8%	3.2%	2.7%	3.2%	2.8%	3.3%
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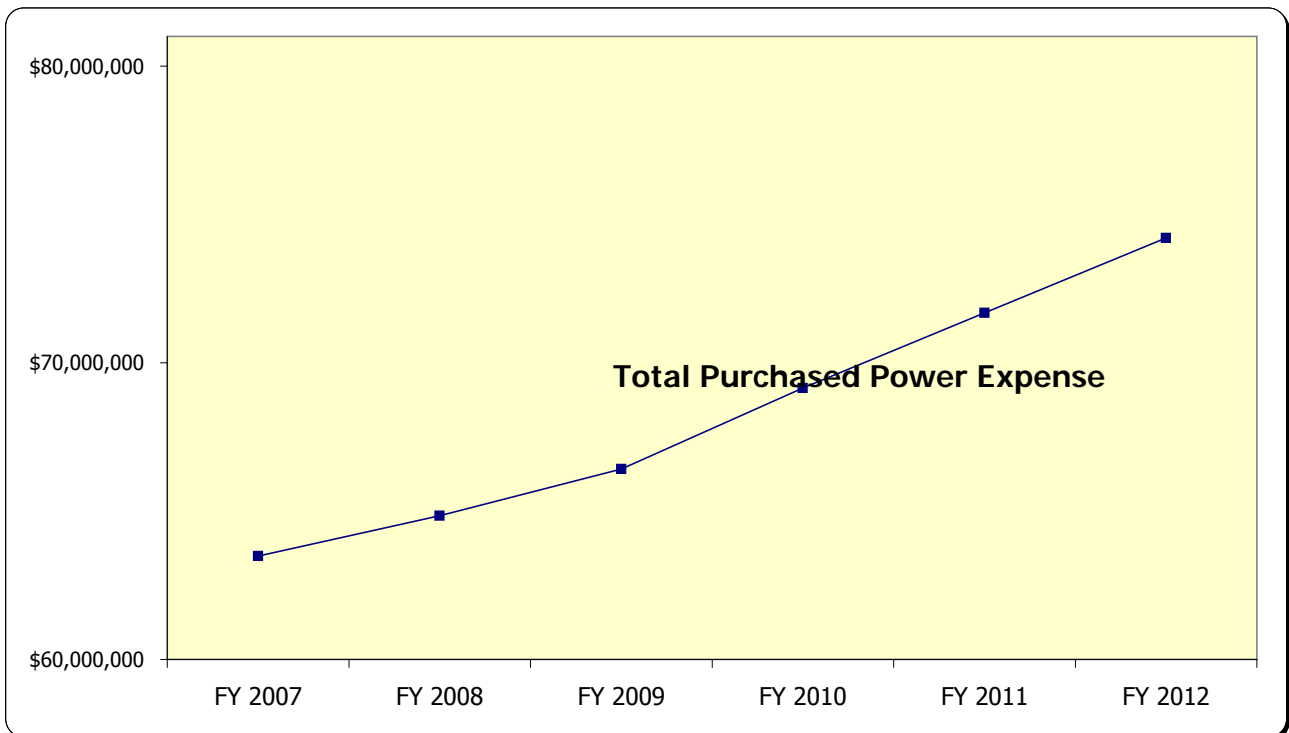


### Purchased Power in Power Cost Adjustment

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>FMPA - Current Charges</b>						
Customer Charge-Per Delivery Pt.	\$ 16,140	\$ 16,140	\$ 16,140	\$ 16,140	\$16,140	\$16,140
Demand Charge - Capacity	20,178,715	21,003,218	22,558,462	23,637,068	24,808,994	26,039,024
Energy Charge	43,962,425	44,483,282	44,510,879	46,165,426	47,533,328	48,830,692
Load Retention Credit	(244,236)	(227,536)	(233,653)	(239,939)	(244,602)	(248,790)
<b>Total Purchased Power Costs</b>	<b>63,913,044</b>	<b>65,275,104</b>	<b>66,851,828</b>	<b>69,578,695</b>	<b>72,113,859</b>	<b>74,637,065</b>
<b>FKEC Credits</b>						
Capacity-kW	12,000	12,000	12,000	12,000	12,000	12,000
Rate - \$/kW-month	3	3	3	3	3	3
Capacity Reservation Payment	(432,000)	(432,000)	(432,000)	(432,000)	(432,000)	(432,000)
<b>Emissions Credits</b>						
SO2 Credits	-	-	-	-	-	-
<b>Total Power Costs in PCA</b>	<b>\$ 63,481,044</b>	<b>\$ 64,843,104</b>	<b>\$ 66,419,828</b>	<b>\$ 69,146,695</b>	<b>\$ 71,681,859</b>	<b>\$ 74,205,065</b>

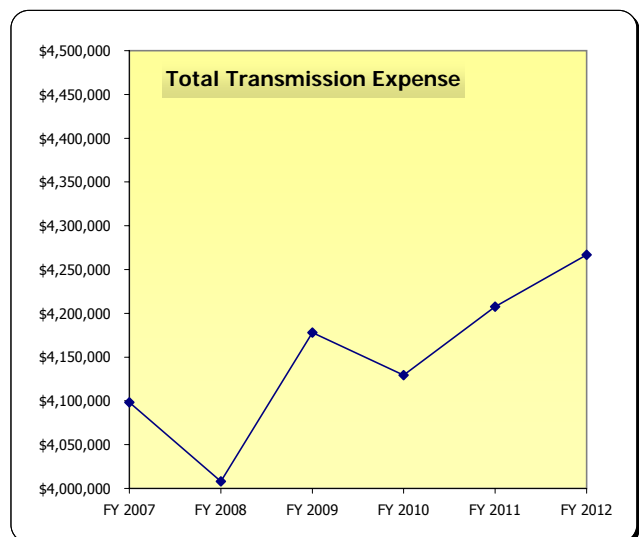
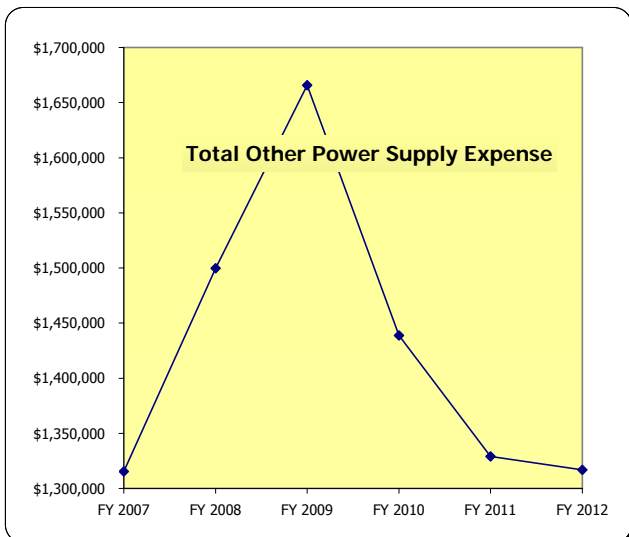
Average annual change compared to prior year	0.6%	2.1%	2.4%	4.1%	3.7%	3.5%
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Purchased Power in Power Cost Adjustment (PCA) includes the cost of electricity purchased from Florida Municipal Power Authority (FMPA) for resale at the Marathon point of delivery.



## Other Power Supply and Transmission Expense

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>Other Power Supply</b>						
Supervision and Engineering	\$ 171,703	\$ 122,142	\$ 127,638	\$ 132,744	\$ 138,054	\$ 143,576
Fuel Costs	-	-	-	-	-	-
Other Supplies and Expenses	-	-	-	-	-	-
Operation Supplies and Expenses	<u>35,000</u>	<u>55,700</u>	<u>56,814</u>	<u>57,950</u>	<u>59,109</u>	<u>60,291</u>
Total Diesel Operation Expense	206,703	177,842	184,452	190,694	197,163	203,867
Maintenance Supervision and Engineering	863,560	1,116,425	1,057,764	1,041,996	1,023,354	1,001,636
Maintenance of Plant	<u>245,247</u>	<u>205,373</u>	<u>423,456</u>	<u>205,998</u>	<u>108,610</u>	<u>111,294</u>
Total Diesel Maintenance Expense (1)	1,108,807	1,321,798	1,481,220	1,247,994	1,131,965	1,112,930
<b>Total Other Power Supply Expense</b>	<b><u>\$ 1,315,511</u></b>	<b><u>\$ 1,499,640</u></b>	<b><u>\$ 1,665,673</u></b>	<b><u>\$1,438,689</u></b>	<b><u>\$1,329,128</u></b>	<b><u>\$1,316,797</u></b>
Average annual change compared to prior year	15.6%	14.0%	11.1%	-13.6%	-7.6%	-0.9%
<b>Transmission</b>						
FMPA - Transmission	\$ 2,509,377	\$ 2,342,366	\$ 2,399,836	\$ 2,465,276	\$ 2,536,769	\$ 2,610,335
FMPA - True-ups Transmission	-	-	-	-	-	-
FKEC - Transmission	<u>650,000</u>	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>
Total Transmission	3,159,377	3,042,366	3,099,836	3,165,276	3,236,769	3,310,335
System Control and Dispatch	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supervision and Engineering	372,905	461,047	481,795	501,066	521,109	541,953
Supplies and Expenses	5,744	-	-	-	-	0
Operation of Synchronous Condenser	<u>283,866</u>	<u>326,766</u>	<u>265,845</u>	<u>329,846</u>	<u>313,985</u>	<u>276,265</u>
Total Transmission Operation Expense	662,515	787,813	747,639	830,912	835,094	818,218
Maintenance of Synchronous Condenser	190,264	69,715	220,109	20,511	20,921	21,340
Maintenance of Transmission Plant	<u>85,989</u>	<u>108,150</u>	<u>110,313</u>	<u>112,519</u>	<u>114,770</u>	<u>117,065</u>
Total Transmission Maintenance Expense	276,253	177,865	330,422	133,030	135,691	138,405
<b>Total Transmission Expense</b>	<b><u>\$ 4,098,145</u></b>	<b><u>\$ 4,008,044</u></b>	<b><u>\$ 4,177,898</u></b>	<b><u>\$4,129,219</u></b>	<b><u>\$4,207,554</u></b>	<b><u>\$4,266,959</u></b>
Average annual change compared to prior year	13.3%	-2.2%	4.2%	-1.2%	1.9%	1.4%
(1): Includes Combustion Turbines (CT's)						



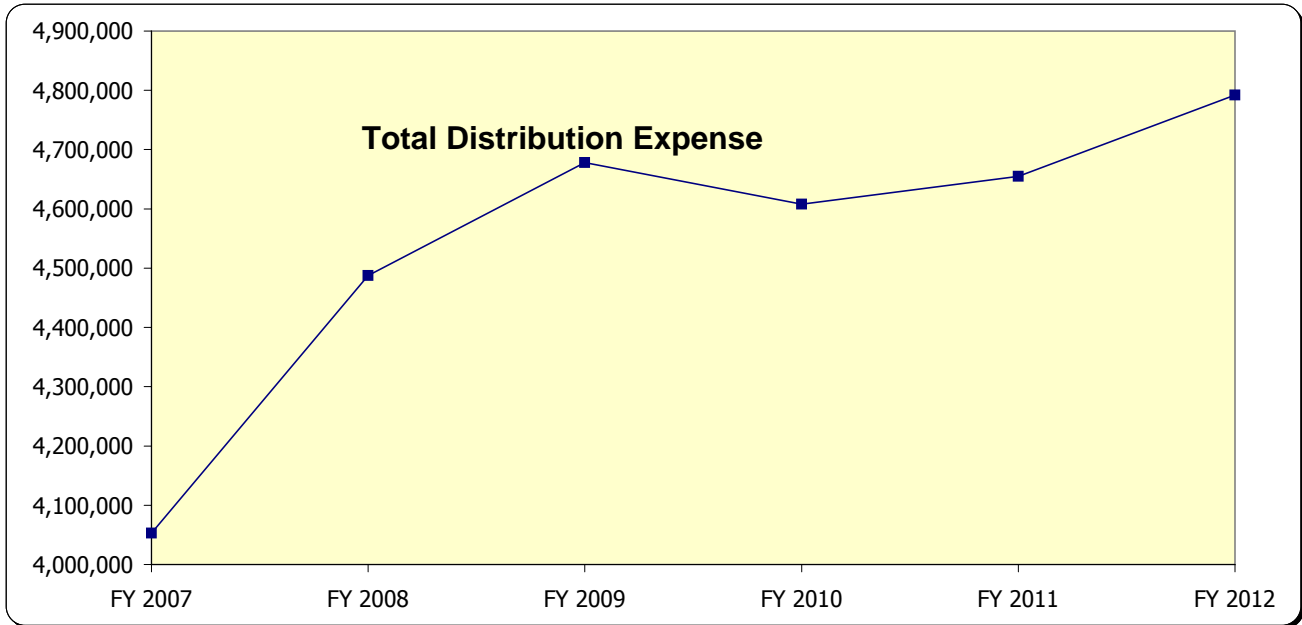
## Distribution Expense

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>Distribution Expenses (Operation):</b>						
Operation Supervision and Engr	\$ 888,266	\$ 816,639	\$ 853,388	\$ 887,524	\$ 843,025	\$876,746
Line and Station	239,205	227,952	235,117	241,998	249,103	256,441
Street Lighting and Signal System	66,627	173,664	176,117	178,619	181,172	183,775
Meter	121,724	124,452	128,395	133,458	138,722	144,196
Miscellaneous Distribution	267,480	334,985	350,034	364,014	378,552	393,672
<b>Total Distribution Operations Expense</b>	<b>1,583,302</b>	<b>1,677,692</b>	<b>1,743,051</b>	<b>1,805,612</b>	<b>1,790,574</b>	<b>1,854,830</b>
<b>Distribution Expenses (Maintenance):</b>						
Maint. Of Structures and Equipment	511,613	725,326	685,689	726,721	730,501	773,056
Maintenance of Lines	1,656,585	1,825,760	2,056,786	1,874,751	1,974,748	1,996,852
Maintenance of Line Transformers	17,830	17,850	18,616	19,327	20,067	20,837
Maintenance of St. Lights/Signals	155,953	7,797	8,148	8,474	8,813	9,165
Maintenance of Meters	67,869	69,301	(4,247)	(2,777)	(51,276)	(49,742)
Maintenance of Misc Distribution Equip	59,848	163,738	170,046	175,549	181,248	187,153
<b>Total Distribution Maintenance Expense</b>	<b>2,469,698</b>	<b>2,809,773</b>	<b>2,935,038</b>	<b>2,802,045</b>	<b>2,864,101</b>	<b>2,937,322</b>
<b>Total Distribution Expense</b>	<b>\$ 4,053,000</b>	<b>\$ 4,487,465</b>	<b>\$ 4,678,089</b>	<b>\$ 4,607,657</b>	<b>\$ 4,654,675</b>	<b>\$ 4,792,152</b>

Average annual change compared to prior year	2.8%	10.7%	4.2%	-1.5%	1.0%	3.0%
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Distribution is 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.

A Distribution Line is one or more circuits of a distribution system on the same line of poles or supporting structures, operating at relatively low voltage as compared with transmission lines.

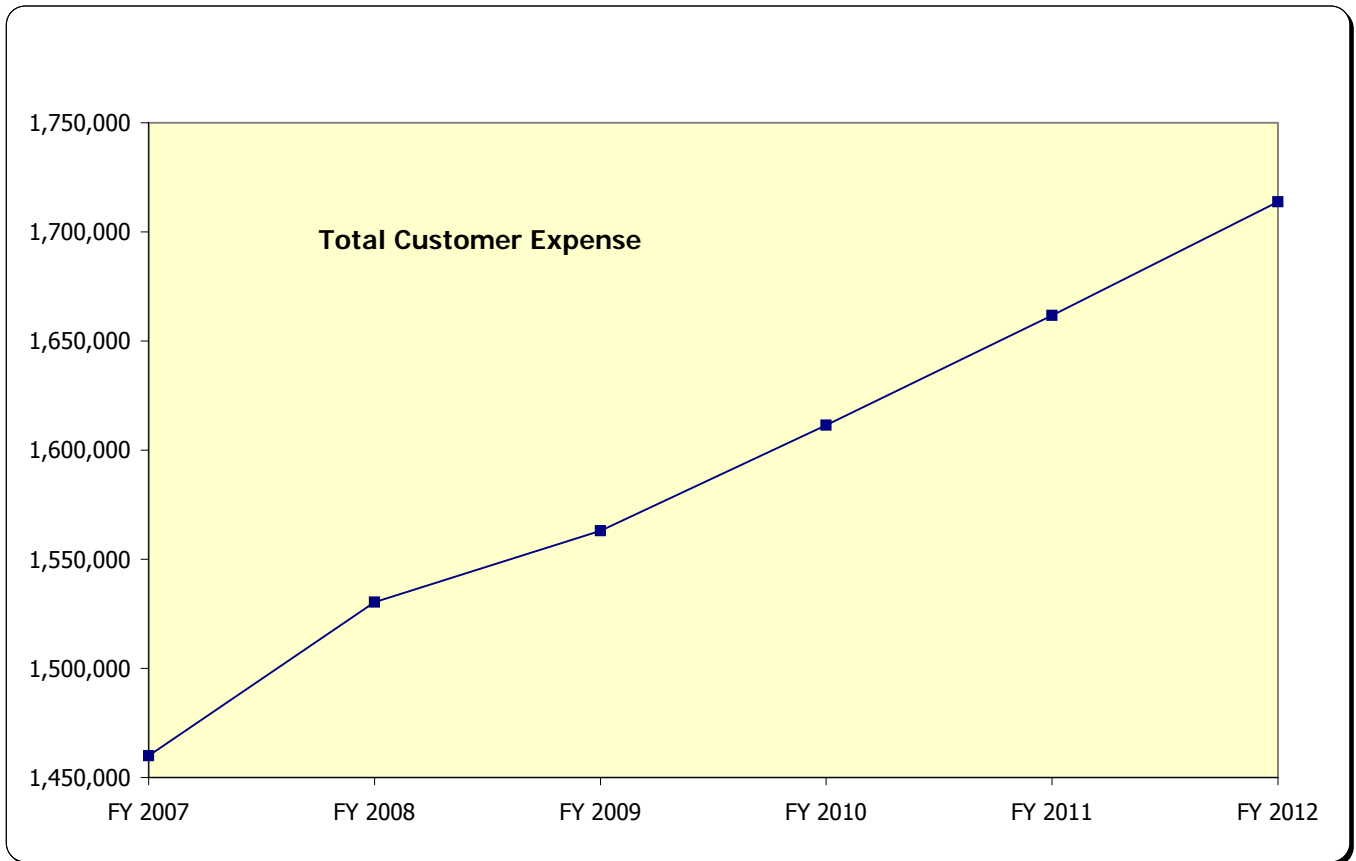


## Customer Expense

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Customer Accounts Expenses:						
Customer Deposit Interest Expense	\$ 157,752	\$ 176,595	\$ 156,178	\$ 155,367	\$ 154,540	\$153,697
Meter Reading	324,620	336,763	351,854	365,877	380,459	395,624
Customer Records and Collection	811,152	848,137	885,463	919,981	955,866	992,988
Uncollectible Accounts	121,500	121,500	121,500	121,500	121,500	121,500
Total Customer Accounts Expense	1,415,025	1,482,994	1,514,996	1,562,725	1,612,365	1,663,809
Customer Service & Informational Exp	45,000	47,360	48,007	48,667	49,341	50,028
<b>Total Customer Expense</b>	<b><u>\$ 1,460,025</u></b>	<b><u>\$ 1,530,354</u></b>	<b><u>\$ 1,563,003</u></b>	<b><u>\$ 1,611,392</u></b>	<b><u>\$1,661,706</u></b>	<b><u>\$1,713,836</u></b>

Average annual change compared to prior year

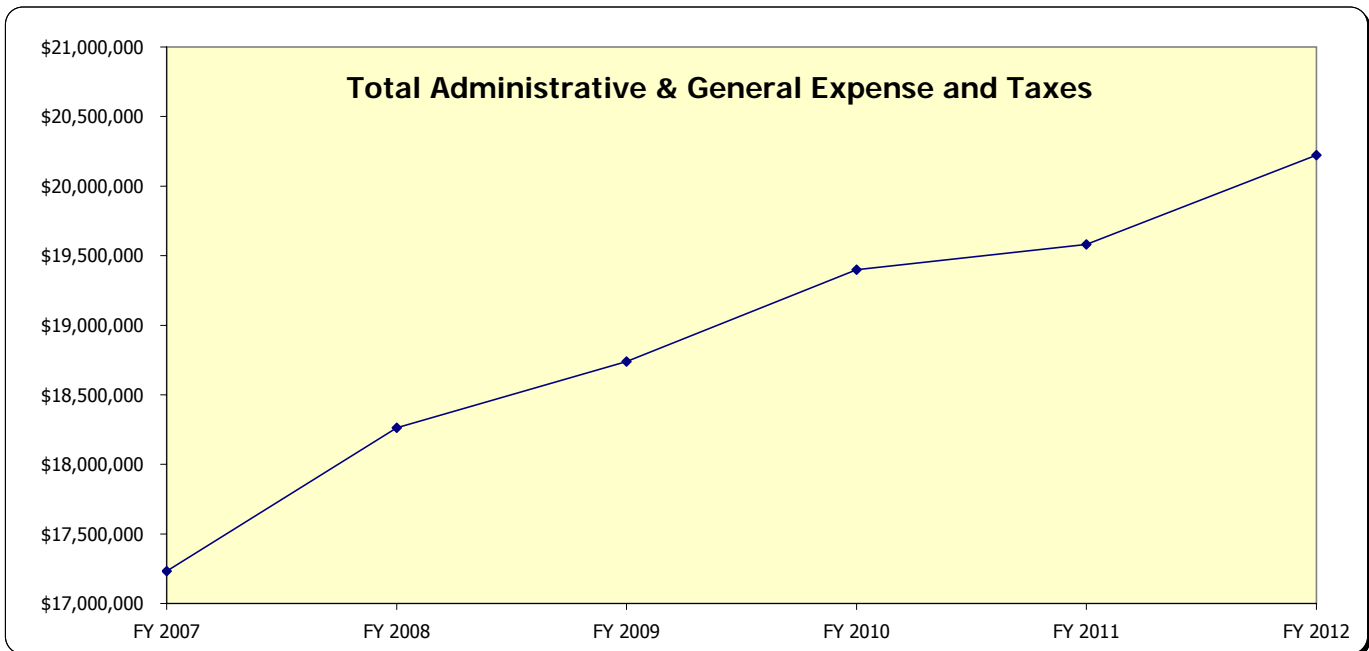
21.5%      4.8%      2.1%      3.1%      3.1%      3.1%



### Administrative & General Expense and Taxes

	Amended					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Admin & Genl Expense - (Operation)						
Administrative and General Salaries	\$ 2,288,959	\$ 2,396,966	\$ 2,503,255	\$ 2,602,310	\$ 2,635,454	\$ 2,739,803
Office Supplies and Expenses	825,465	917,775	936,497	859,603	756,249	771,774
Outside Services Employed	1,751,032	2,005,001	2,033,786	2,177,840	2,071,333	2,202,455
Property Insurance	1,064,000	948,921	994,406	1,042,103	1,092,121	1,144,572
Injuries and Damages	581,010	746,748	769,585	793,132	817,410	842,443
Employee Benefits	4,413,250	4,693,264	4,806,002	4,957,425	5,092,770	5,276,029
Pension Contribution	2,568,875	2,747,135	2,716,554	2,720,818	2,668,338	2,671,052
General Advertising	170,560	192,557	196,408	200,337	204,343	208,430
Miscellaneous	7,000	7,140	7,283	7,428	7,577	7,729
Rents	46,900	47,838	48,795	49,771	50,766	51,781
Transportation	550,839	542,474	556,123	704,144	719,928	739,300
<b>Total Admin &amp; Genl Operations Expense</b>	<b>14,267,890</b>	<b>15,245,820</b>	<b>15,568,694</b>	<b>16,114,910</b>	<b>16,116,288</b>	<b>16,655,368</b>
Admin & Genl Exp (Maintenance)	<u>377,722</u>	<u>426,639</u>	<u>443,577</u>	<u>459,475</u>	<u>475,972</u>	<u>493,092</u>
<b>Total Admin &amp; Genl Exp</b>	<b>14,645,613</b>	<b>15,672,459</b>	<b>16,012,271</b>	<b>16,574,385</b>	<b>16,592,260</b>	<b>17,148,460</b>
Gross Receipts Taxes	2,480,804	2,478,185	2,609,459	2,702,130	2,860,718	2,941,768
Employer FICA Taxes	<u>105,461</u>	<u>112,487</u>	<u>117,549</u>	<u>122,290</u>	<u>127,222</u>	<u>132,353</u>
<b>Total Taxes</b>	<b>2,586,265</b>	<b>2,590,672</b>	<b>2,727,008</b>	<b>2,824,419</b>	<b>2,987,940</b>	<b>3,074,121</b>
<b>Total Admin &amp; Genl Expense</b>	<b>\$ 17,231,877</b>	<b>\$ 18,263,131</b>	<b>\$ 18,739,279</b>	<b>\$ 19,398,805</b>	<b>\$ 19,580,201</b>	<b>\$ 20,222,581</b>

Average annual change compared to prior year	6.9%	6.0%	2.6%	3.5%	0.9%	3.3%
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**Payment to the City of Key West, Florida**

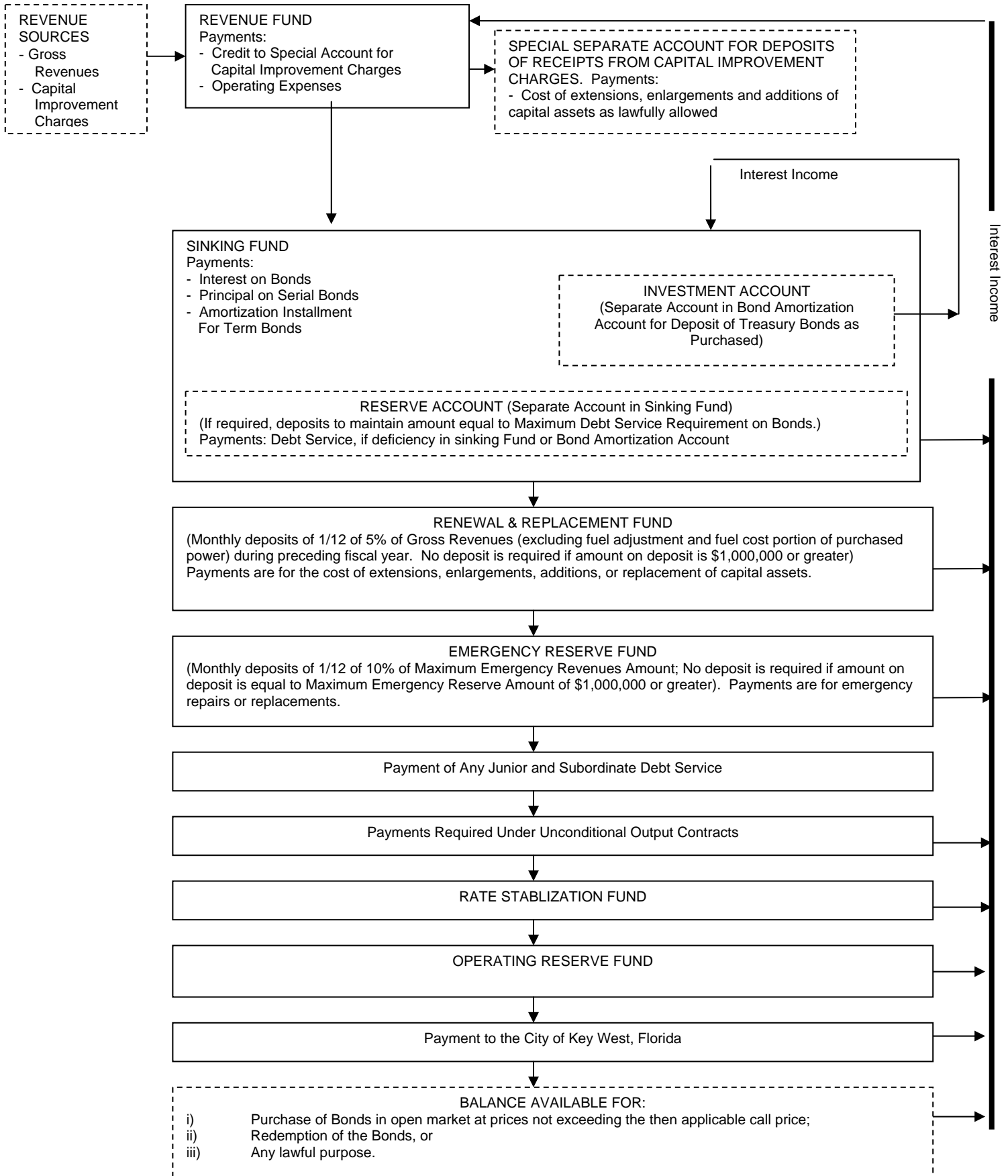
	<b>Amended</b>					
	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
Revenues						
Energy and Demand	\$ 90,039,967	\$ 85,585,792	\$ 90,525,134	\$ 92,949,487	\$ 97,629,827	\$ 99,285,345
Power Cost Adjustment ( PCA )	4,514,181	8,846,184	8,905,907	10,073,871	11,452,495	12,937,023
Customer Charge	<u>2,201,077</u>	<u>2,221,110</u>	<u>2,341,935</u>	<u>2,363,912</u>	<u>2,490,162</u>	<u>2,511,172</u>
subtotal Electric Revenues	96,755,225	96,653,086	101,772,976	105,387,270	111,572,484	114,733,540
Gross Receipts Tax	<u>2,480,804</u>	<u>2,478,185</u>	<u>2,609,459</u>	<u>2,702,130</u>	<u>2,860,718</u>	<u>2,941,768</u>
subtotal Operating Revenues	99,236,029	99,131,271	104,382,435	108,089,400	114,433,203	117,675,308
Other Operating Revenue	<u>2,553,882</u>	<u>3,173,239</u>	<u>3,231,913</u>	<u>3,291,625</u>	<u>3,352,811</u>	<u>3,415,514</u>
Gross Revenue from Sales of electricity	101,789,911	102,304,510	107,614,348	111,381,026	117,786,014	121,090,822
Sales of Electricity (kWh)	742,485,788	705,361,498	724,324,010	743,810,301	758,267,056	771,250,521
Power Cost Rate in the Base Rate	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800
Total Power Cost in Base Electric Revenues	59,398,863	56,428,920	57,945,921	59,504,824	60,661,365	61,700,042
Power Cost Adjustment Revenue	4,514,181	8,846,184	8,905,907	10,073,871	11,452,495	12,937,023
Total Power Cost in Operating Revenues	<u>63,913,044</u>	<u>65,275,104</u>	<u>66,851,828</u>	<u>69,578,695</u>	<u>72,113,859</u>	<u>74,637,065</u>
Non-Power Related Revenues from Electricity	37,876,867	37,029,406	40,762,520	41,802,330	45,672,155	46,453,757
Rate - Article III, Section 3.03, B, (11)	<u>1.0%</u>	<u>1.0%</u>	<u>1.0%</u>	<u>1.0%</u>	<u>1.0%</u>	<u>1.0%</u>
Payment to the City of Key West	<u>378,769</u>	<u>370,294</u>	<u>407,625</u>	<u>418,023</u>	<u>456,722</u>	<u>464,538</u>
Minimum Amount	<u>264,194</u>	<u>266,915</u>	<u>269,665</u>	<u>272,442</u>	<u>275,248</u>	<u>278,083</u>
Consumer Price Index	<u>1.03%</u>	<u>1.03%</u>	<u>1.03%</u>	<u>1.03%</u>	<u>1.03%</u>	<u>1.03%</u>
Total Adjusted Minimum Amount	<u>266,915</u>	<u>269,665</u>	<u>272,442</u>	<u>275,248</u>	<u>278,083</u>	<u>280,948</u>
Difference	<u>111,853</u>	<u>100,629</u>	<u>135,183</u>	<u>142,775</u>	<u>178,638</u>	<u>183,590</u>
<b>Payment to the City of Key West</b>	<b><u>\$ 378,769</u></b>	<b><u>\$ 370,294</u></b>	<b><u>\$ 407,625</u></b>	<b><u>\$ 418,023</u></b>	<b><u>\$ 456,722</u></b>	<b><u>\$ 464,538</u></b>
Increase (decrease) verses prior year	<u>6.75%</u>	<u>-2.24%</u>	<u>10.08%</u>	<u>2.55%</u>	<u>9.26%</u>	<u>1.71%</u>

Resolution 532, Article III, Section 3.03, Application of Revenues, Part B, Disposition of Revenues Paragraph (11) of Section 3.03 (B) of the Original Resolution is hereby amended to read as follows: (11) The Board will next pay to the City as and for the return on the City's equity in the System a sum equal to the greater of (A) \$200,000 (adjusted annually for changes in the Consumer Price Index) or (B) one percent (1%) of the Gross Revenues derived from sales of electricity at retail (exclusive of Power Cost Revenue, which are defined, for purposes of this paragraph, as (i) revenues determined by reference to the power cost component of base rates, plus or minus (ii) power cost adjustment charges or credits). This amending Resolution 678 became effective on October 1, 1999. Passed and Adopted at a meeting duly called and held this 8th day of September, 1999.

<b>In Kind Services to the City of Key West</b>	<b><u>\$ 364,417</u></b>	<b><u>\$ 371,705</u></b>	<b><u>\$ 379,139</u></b>	<b><u>\$ 386,722</u></b>	<b><u>\$ 394,457</u></b>	<b><u>\$ 402,346</u></b>
<b>Total to the City of Key West, FL</b>	<b><u>\$ 743,186</u></b>	<b><u>\$ 741,999</u></b>	<b><u>\$ 786,765</u></b>	<b><u>\$ 804,746</u></b>	<b><u>\$ 851,178</u></b>	<b><u>\$ 866,883</u></b>

In kind services include items such as banner hanging; traffic & street light maintenance (Overhead and Underground); recreational & ballpark light/ load panel maintenance; Christmas Tree circuits, bocce lights/load panel maintenance; parade route lighting; emergency lighting; waiving CIAC deposits; estimated return on investment on the Park-N-Ride property & Pocket Parks and costs and lost revenues associated with the installations of LED bulbs in traffic signals and lost revenue as a result of the energy efficiency of the LED's.

## Flow of Funds Chart



## Description of Restricted and Current Funds

Keys Energy Services has a single enterprise fund. However, to distinguish between purposes and to highlight both Utility Board and Bond resolutions, separate internal accounts, are referred to as funds.

### RESTRICTED FUNDS

**Bond Sinking Fund.** Used to pay all interest and principal amounts due on April 1 and October 1 related to the outstanding Electric System Revenue Bonds.

**Capital Improvement Fund.** Customers requesting initial non-residential, commercial, or large power service pay a charge for contributions in aid of construction for facilities required to meet their anticipated electric requirements.

**Customer Deposit Fund.** Service deposits are required for all types of service connections, including temporary service.

**Emergency Reserve Fund.** Used only for the purpose of paying for emergency repairs or replacements of the capital assets of the System which have been damaged or destroyed by catastrophes, acts of God or other disasters. May also be used for advances to pay Operating Expenses, provided such advance is repaid within a specified time. This fund shall also be used to supplement the moneys in the Reserve Account in the Sinking Fund to prevent default in the payment of principal and interest on the Bonds. The Fund also includes an Insurance Mitigation account to offset anticipated increases in health and all other insurance premiums.

**Rate Stabilization Fund.** The Board may deposit such amounts, as the Board deems necessary or desirable. Each month the Board shall transfer from the Rate Stabilization Fund to the Revenue Fund the amount budgeted for transfer into such Fund for the then current month as set forth in the current Annual Budget or the amount otherwise determined by the Board to be deposited into such Fund for the month.

**Renewal & Replacement Fund.** The moneys shall be used only for the purpose of paying the cost of extensions, enlargements or additions to, or the replacement of capital assets of the System. Such moneys on deposit in such fund shall also be used to supplement the Reserve Account, if necessary in order to prevent default in the payment of the principal and interest on the Bonds.

**Construction Fund.** The moneys shall be used only for the purpose of paying the cost of capital projects which are additions to the System and are Transmission, Distribution, and Generation related.

**Debt Service Reserve Fund.** This fund is the amount equal to the highest aggregate debt service on all outstanding bonds during any bond year.

**Capitalized Interest Fund.** This fund is the amount equal to the first three years interest payments of the Series 2006 Bond issue. At the end of the first three years this will be zero.

### CURRENT FUNDS

**Revenue Fund.** The main fund for the System whereby all Revenues are first deposited for subsequent transfer to the proper fund.

**Operating Reserve Fund.** Used for the purpose of paying Operating Expenses for 90 days in the event of an emergency or for other lawful purposes of the System. Moneys in the Operating Reserve Fund shall also be used to supplement the moneys in the Reserve Account in the Sinking Fund to prevent default in the payment of principal of and interest on the Bonds.

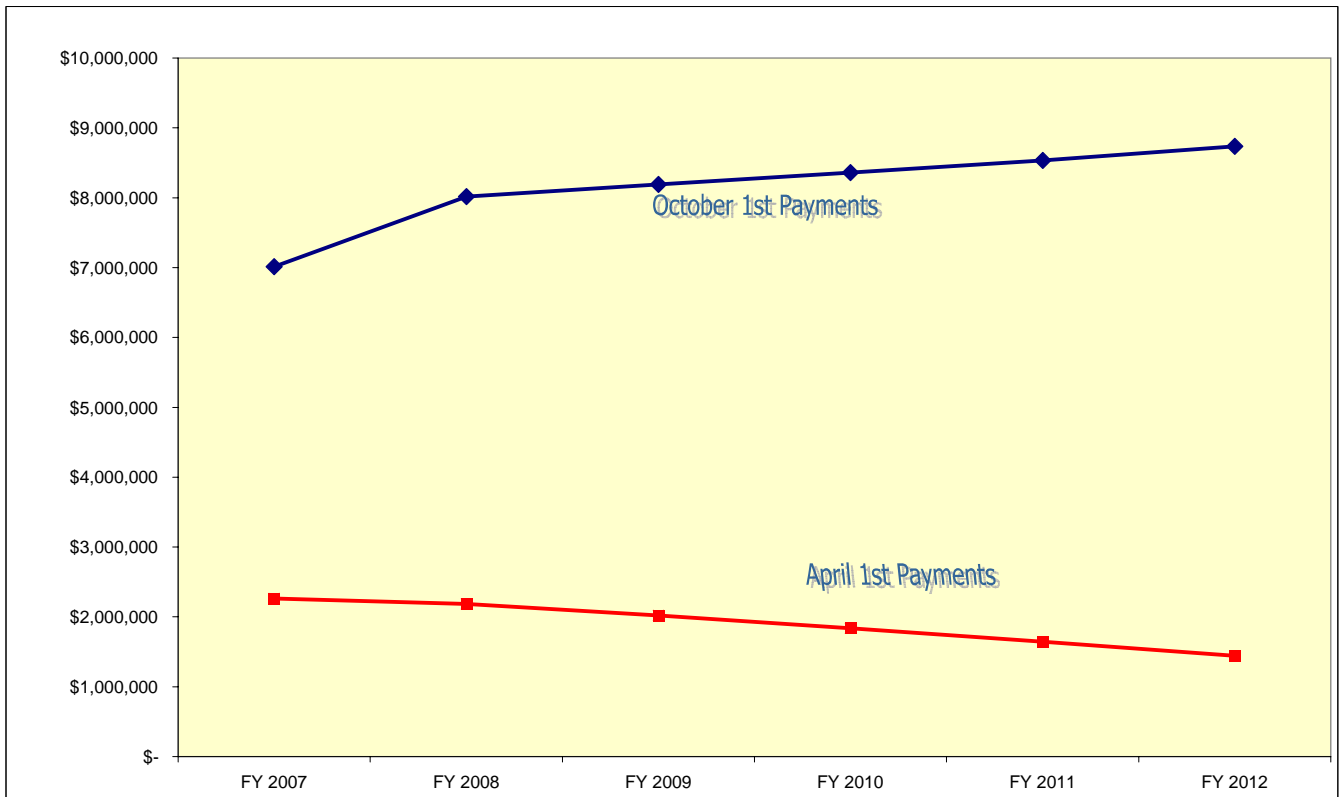
**Summary of All Fund Activity**

	<b>Amended</b>					
	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Bond Sinking Fund</b>						
Beginning Balance	\$ 6,954,926	\$ 7,879,022	\$ 8,051,800	\$ 8,221,997	\$ 8,635,879	\$ 8,838,560
Receipts and transfers In	10,377,188	10,572,464	10,562,047	10,983,347	10,772,046	10,778,641
Disbursements and Transfers Out	(9,453,092)	(10,399,686)	(10,391,850)	(10,569,465)	(10,569,365)	(10,577,404)
Ending Balance	\$ 7,879,022	\$ 8,051,800	\$ 8,221,997	\$ 8,635,879	\$ 8,838,560	\$ 9,039,797
<b>Capital Improvement Fund</b>						
Beginning Balance	\$ 147,600	\$ 146,400	\$ 145,200	\$ 144,000	\$ 142,800	\$ 141,600
Receipts and transfers In	97,528	97,320	96,534	96,480	96,426	96,372
Disbursements and Transfers Out	(98,728)	(98,520)	(97,734)	(97,680)	(97,626)	(97,572)
Ending Balance	\$ 146,400	\$ 145,200	\$ 144,000	\$ 142,800	\$ 141,600	\$ 140,400
<b>Customer Deposits Fund</b>						
Beginning Balance	\$ 3,962,913	\$ 3,943,811	\$ 3,924,327	\$ 3,904,454	\$ 3,884,183	\$ 3,863,507
Receipts and transfers In	886,588	895,359	888,727	902,075	915,690	929,578
Disbursements and Transfers Out	(905,689)	(914,843)	(908,600)	(922,346)	(936,367)	(950,668)
Ending Balance	\$ 3,943,811	\$ 3,924,327	\$ 3,904,454	\$ 3,884,183	\$ 3,863,507	\$ 3,842,417
<b>Emergency Reserve Fund</b>						
Beginning Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Receipts and transfers In	102,000	100,000	90,000	90,000	90,000	90,000
Disbursements and Transfers Out	(102,000)	(100,000)	(90,000)	(90,000)	(90,000)	(90,000)
Ending Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
<b>Rate Stabilization Fund</b>						
Beginning Balance	\$ 3,202,882	\$ 3,902,882	\$ 4,602,882	\$ 4,602,882	\$ 4,602,882	\$ 4,602,882
Receipts and transfers In	863,347	895,144	207,130	207,130	207,130	207,130
Disbursements and Transfers Out	(163,347)	(195,144)	(207,130)	(207,130)	(207,130)	(207,130)
Ending Balance	\$ 3,902,882	\$ 4,602,882	\$ 4,602,882	\$ 4,602,882	\$ 4,602,882	\$ 4,602,882
<b>Renewal and Replacement Fund</b>						
Beginning Balance	\$ 1,532	\$ 22,344	\$ 18,775	\$ 10,262	\$ 13,532	\$ 13,797
Receipts and transfers In	6,114,998	25,645,289	12,404,350	4,279,776	8,448,938	8,024,600
Disbursements and Transfers Out	(6,094,186)	(25,648,858)	(12,412,862)	(4,276,506)	(8,448,673)	(8,022,067)
Ending Balance	\$ 22,344	\$ 18,775	\$ 10,262	\$ 13,532	\$ 13,797	\$ 16,330
<b>Revenue Fund</b>						
Beginning Balance	\$ 951,015	\$ 1,604,767	\$ 206,351	\$ 171,881	\$ 218,169	\$ 195,127
Receipts and transfers In	104,330,954	108,984,766	110,634,967	115,951,837	122,564,234	125,947,930
Disbursements and Transfers Out	(103,677,203)	(110,383,182)	(110,669,437)	(115,905,549)	(122,587,276)	(125,754,834)
Ending Balance	\$ 1,604,767	\$ 206,351	\$ 171,881	\$ 218,169	\$ 195,127	\$ 388,223
<b>Operating Reserve Fund</b>						
Beginning Balance	\$ 4,080,214	\$ 5,740,214	\$ 6,540,214	\$ 7,165,214	\$ 7,640,214	\$ 7,665,214
Receipts and transfers In	1,868,091	1,087,011	919,310	797,435	368,810	544,935
Disbursements and Transfers Out	(208,091)	(287,011)	(294,310)	(322,435)	(343,810)	(344,935)
Ending Balance	\$ 5,740,214	\$ 6,540,214	\$ 7,165,214	\$ 7,640,214	\$ 7,665,214	\$ 7,865,214
<b>Construction Fund</b>						
Beginning Balance	\$ -	\$ 28,040,670	\$ 8,540,670	\$ 140,670	\$ -	\$ -
Receipts and transfers In	\$ 33,639,783	\$ 866,483	\$ 265,303	\$ 86,918	\$ -	\$ -
Disbursements and Transfers Out	\$ (5,599,113)	\$ (20,366,483)	\$ (8,665,303)	\$ (227,588)	\$ -	\$ -
Ending Balance	\$ 28,040,670	\$ 8,540,670	\$ 140,670	\$ 0	\$ -	\$ -
<b>Capitalized Interest Fund</b>						
Beginning Balance	\$ -	\$ 3,932,533	\$ 2,137,529	\$ 239,788	\$ -	\$ -
Receipts and transfers In	\$ 5,680,833	\$ 193,583	\$ 90,848	\$ 500	\$ -	\$ -
Disbursements and Transfers Out	\$ (1,748,300)	\$ (1,988,588)	\$ (1,988,588)	\$ (240,288)	\$ -	\$ -
Ending Balance	\$ 3,932,533	\$ 2,137,529	\$ 239,788	\$ 0	\$ -	\$ -
<b>Debt Service Reserve Fund</b>						
Beginning Balance	\$ -	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733
Receipts and transfers In	\$ 4,162,333	\$ 195,491	\$ 195,491	\$ 195,491	\$ 195,491	\$ 195,491
Disbursements and Transfers Out	\$ (89,600)	\$ (195,491)	\$ (195,491)	\$ (195,491)	\$ (195,491)	\$ (195,491)
Ending Balance	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733
<b>Total - All Funds</b>						
Beginning Balance	\$ 21,301,081	\$ 61,285,376	\$ 40,240,480	\$ 30,673,881	\$ 31,210,391	\$ 27,320,685
Receipts and transfers In	168,123,643	149,532,911	136,354,707	133,590,988	143,658,764	146,619,186
Disbursements and Transfers Out	(128,139,348)	(170,577,807)	(145,921,306)	(133,054,477)	(143,475,737)	(146,044,609)
Ending Balance	\$ 61,285,376	\$ 40,240,480	\$ 30,673,881	\$ 31,210,392	\$ 31,393,419	\$ 27,895,262

### Bond Sinking Fund

	Amended					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>Restricted Fund</b>						
Beginning Balance	\$ 6,954,926	\$ 7,879,022	\$ 8,051,800	\$ 8,221,997	\$ 8,635,879	\$ 8,838,560
<b>Deposits:</b>						
Interest Income	177,351	196,976	181,165	369,990	388,615	397,735
<b>Transfers from:</b>						
Capitalized Interest Fund	1,748,300	1,988,588	1,988,588	240,288		
Revenue Fund	<u>8,451,538</u>	<u>8,386,900</u>	<u>8,392,294</u>	<u>10,373,069</u>	<u>10,383,431</u>	<u>10,380,906</u>
<b>Total Funds Available</b>	17,332,114	18,451,485	18,613,847	19,205,344	19,407,924	19,617,201
<b>Disbursements:</b>						
Principal & Interest due Oct 1	7,013,275	8,017,467	8,190,244	8,360,441	8,534,034	8,736,716
Principal & Interest due Apr 1	<u>2,262,467</u>	<u>2,185,244</u>	<u>2,020,441</u>	<u>1,839,034</u>	<u>1,646,716</u>	<u>1,442,953</u>
subtotal Bond Principal & Interest	9,275,742	10,202,710	10,210,684	10,199,475	10,180,750	10,179,669
<b>Transfers to:</b>						
Revenue Fund	<u>177,351</u>	<u>196,976</u>	<u>181,165</u>	<u>369,990</u>	<u>388,615</u>	<u>397,735</u>
subtotal Disbursements & Transfers	<u>9,453,092</u>	<u>10,399,686</u>	<u>10,391,850</u>	<u>10,569,465</u>	<u>10,569,365</u>	<u>10,577,404</u>
<b>Ending Balance</b>	<u><b>\$ 7,879,022</b></u>	<u><b>\$ 8,051,800</b></u>	<u><b>\$ 8,221,997</b></u>	<u><b>\$ 8,635,879</b></u>	<u><b>\$ 8,838,560</b></u>	<u><b>\$ 9,039,797</b></u>

Average annual change compared to prior year	13.3%	2.2%	2.1%	5.0%	2.3%	2.3%
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**Capital Improvement Fund  
Contribution in Aid of Construction (CIAC)**

	<b>Amended</b>					
	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Restricted Fund</b>						
Beginning Balance	\$ 147,600	\$ 146,400	\$ 145,200	\$ 144,000	\$ 142,800	\$ 141,600
<u>Deposits:</u>						
Customer Deposits	90,000	90,000	90,000	90,000	90,000	90,000
Interest Income	7,528	7,320	6,534	6,480	6,426	6,372
<u>Transfers from:</u>						
Total Funds Available	245,128	243,720	241,734	240,480	239,226	237,972
<u>Disbursements:</u>						
Refunds to Customers	1,200	1,200	1,200	1,200	1,200	1,200
<u>Transfers to:</u>						
Renewal & Replacement Fund	90,000	90,000	90,000	90,000	90,000	90,000
Revenue Fund	7,528	7,320	6,534	6,480	6,426	6,372
subtotal	<u>98,728</u>	<u>98,520</u>	<u>97,734</u>	<u>97,680</u>	<u>97,626</u>	<u>97,572</u>
<b>Ending Balance</b>	<b><u>\$ 146,400</u></b>	<b><u>\$ 145,200</u></b>	<b><u>\$ 144,000</u></b>	<b><u>\$142,800</u></b>	<b><u>\$ 141,600</u></b>	<b><u>\$ 140,400</u></b>

Average annual change compared to prior year	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%
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For planning purposes, KEYS prefers to be conservative in projecting the amount forecasted for customer payments for contributions in aid of construction. Whatever amount is received within the year is used to fund the construction, which is part of the Renewal & Replacement Fund.

## Customer Deposits Fund

	<b>Amended</b>					
	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Restricted Fund:</b>						
Beginning Balance	\$ 3,962,913	\$ 3,943,811	\$ 3,924,327	\$ 3,904,454	\$ 3,884,183	\$ 3,863,507
<u>Deposits:</u>						
Customer Deposits	684,479	698,169	712,132	726,375	740,902	755,720
Interest Income	<u>202,109</u>	<u>197,191</u>	<u>176,595</u>	<u>175,700</u>	<u>174,788</u>	<u>173,858</u>
<u>Transfers from:</u>						
Total Funds Available	4,849,501	4,839,170	4,813,054	4,806,529	4,799,873	4,793,085
<u>Disbursements:</u>						
Refunds to Customers	703,581	717,653	732,006	746,646	761,579	776,810
<u>Transfers to:</u>						
Revenue Fund	<u>202,109</u>	<u>197,191</u>	<u>176,595</u>	<u>175,700</u>	<u>174,788</u>	<u>173,858</u>
subtotal	<u>905,689</u>	<u>914,843</u>	<u>908,600</u>	<u>922,346</u>	<u>936,367</u>	<u>950,668</u>
<b>Ending Balance</b>	<b><u>\$ 3,943,811</u></b>	<b><u>\$ 3,924,327</u></b>	<b><u>\$ 3,904,454</u></b>	<b><u>\$ 3,884,183</u></b>	<b><u>\$ 3,863,507</u></b>	<b><u>\$ 3,842,417</u></b>

Average annual change compared to prior year	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%
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For the past few years, the amount of customer deposits received has been lower than the amount of customer deposits refunded. KEYS has an aggressive program designed to refund a customer's deposit once they have attained 24 continuous months of timely payments. Currently, KEYS is using a 2% increase per year for deposits and refunds

## Emergency Reserve Fund

	<b>Amended</b>					
	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Restricted Fund:</b>						
Beginning Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
<u>Deposits:</u>						
	-	-	-	-	-	-
Interest Income	102,000	100,000	90,000	90,000	90,000	90,000
<u>Transfers from:</u>						
Revenue Fund	-	-	-	-	-	-
Total Funds Available	<u>2,102,000</u>	<u>2,100,000</u>	<u>2,090,000</u>	<u>2,090,000</u>	<u>2,090,000</u>	<u>2,090,000</u>
<u>Disbursements:</u>						
	-	-	-	-	-	-
<u>Transfers to:</u>						
Revenue Fund - Interest Income	<u>102,000</u>	<u>100,000</u>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>
subtotal	<u>102,000</u>	<u>100,000</u>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>
<b>Ending Balance</b>	<b><u>\$ 2,000,000</u></b>	<b><u>\$ 2,000,000</u></b>	<b><u>\$ 2,000,000</u></b>	<b><u>\$ 2,000,000</u></b>	<b><u>\$ 2,000,000</u></b>	<b><u>\$ 2,000,000</u></b>
Average annual change compared to prior year	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Resolution 532, Article III, Section 3.03, B, ( 6 )

The moneys in the Emergency Reserve Fund shall be used only for the purpose of paying for emergency repairs or replacements of the capital assets of the System which have been damaged or destroyed by catastrophes, acts of God or other disasters. To the extent that moneys on deposit in the Emergency Reserve Fund are not needed for the foregoing purposes, such moneys may also be used, following any catastrophe, act of God or other disaster which has had the effect of adversely affecting the ability to bill and collect revenues for the services of the System or for advances to pay Operating Expenses; provided, that any such advance shall be repaid to the Emergency Reserve Fund within twelve (12) months of the withdrawal there from. Whenever the amount on deposit in the Emergency Reserve Fund exceeds the Maximum Emergency Reserve Amount, the excess may be withdrawn from the Emergency Reserve Fund and deposited in the Revenue Fund.

### Rate Stabilization Fund

	Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>Restricted Fund:</b>						
Beginning Balance	\$ 3,202,882	\$ 3,902,882	\$ 4,602,882	\$ 4,602,882	\$ 4,602,882	\$ 4,602,882
<b>Deposits:</b>						
Interest Income	163,347	195,144	207,130	207,130	207,130	207,130
<b>Transfers from:</b>						
Return Borrowing for PCA Revenue Fund	-	-	-	-	-	-
	<u>700,000</u>	<u>700,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Funds Available	4,066,229	4,798,026	4,810,012	4,810,012	4,810,012	4,810,012
<b>Transfers to:</b>						
Revenue Fund - Interest Income	163,347	195,144	207,130	207,130	207,130	207,130
Revenue Fund	-	-	-	-	-	-
Withdrawal for PCA Credit	-	-	-	-	-	-
	<u>163,347</u>	<u>195,144</u>	<u>207,130</u>	<u>207,130</u>	<u>207,130</u>	<u>207,130</u>
Total Transfers	163,347	195,144	207,130	207,130	207,130	207,130
<b>Ending Balance</b>	<b><u>\$ 3,902,882</u></b>	<b><u>\$ 4,602,882</u></b>	<b><u>\$ 4,602,882</u></b>	<b><u>\$ 4,602,882</u></b>	<b><u>\$ 4,602,882</u></b>	<b><u>\$ 4,602,882</u></b>

Average annual change compared to prior year	21.9%	17.9%	0.0%	0.0%	0.0%	0.0%
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Resolution 532, Article III, Section 3.03, B, ( 9 )

Moneys on deposit in the Revenue Fund may, in the discretion of the Board, next be deposited into a special account to be known as the Rate Stabilization Fund in such amounts as the Board deems necessary or desirable. Each month, the Board shall transfer from the Rate Stabilization Fund to the Revenue Fund the amount budgeted for transfer into such Fund for the then current month as set forth in the current Annual Budget or the amount otherwise determined by the Board to be deposited into such Fund for the month.

In FY07 and FY08 an increase in the Rate Stabilization Fund was done to return borrowed funds.

## Renewal & Replacement Fund

		Amended FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>Restricted Fund:</b>							
Beginning Balance	\$	1,532	22,344	18,775	10,262	13,532	13,797
Revenue Fund		415,295	5,062,250	3,568,750	3,875,000	8,175,000	7,760,000
Construction Fund - Draw Downs		5,599,113	20,366,483	8,665,303	227,588	-	-
Sub-total from the Revenue Fund		6,014,408	25,428,733	12,234,053	4,102,588	8,175,000	7,760,000
Interest Income		10,590	126,556	80,297	87,188	183,938	174,600
CIAC Fund		90,000	90,000	90,000	90,000	90,000	90,000
subtotal		6,114,998	25,645,289	12,404,350	4,279,776	8,448,938	8,024,600
Total Funds Available		6,116,530	25,667,633	12,423,125	4,290,038	8,462,470	8,038,397
<b>Disbursements and Transfers:</b>							
Capital Projects-current year		6,083,596	25,522,302	12,332,566	4,189,318	8,264,736	7,847,467
Revenue Fund - Interest Income		10,590	126,556	80,297	87,188	183,938	174,600
Sub-total Disbursements & Transfers		6,094,186	25,648,858	12,412,862	4,276,506	8,448,673	8,022,067
Ending Balance	\$	22,344	18,775	10,262	13,532	13,797	16,330
Average annual change compared to prior year		1358.5%	-16.0%	-45.3%	31.9%	2.0%	18.4%

Resolution 532, Article III, Section 3.03, B, ( 5 )

The Board shall next apply and deposit monthly from moneys in the Revenue Fund into a special account to be known as the "Renewal and Replacement Fund" which fund is herein created and established, an amount equal to one-twelfth (1/12th) of five percent (5%) of the Gross Revenues received during the immediately preceding Fiscal Year, after deducting therefrom any power cost adjustment charge or power cost component of the cost of purchased power, such deposit to be continued to be made for the purpose of this account; provided that no deposit shall be required to be made so long as there is an amount on deposit in the Renewal and Replacement Fund in the amount of \$1,000,000 or such greater amount as shall be recommended by the Consulting Engineer. The moneys in the Renewal and Replacement Fund shall be used only for the purpose of paying the cost of extensions, enlargements or additions to, or the replacement of capital assets of the System.

## Construction Fund

	Amended					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>Restricted Fund</b>						
Beginning Balance	\$ -	\$ 28,040,670	\$ 8,540,670	\$ 140,670	\$ -	\$ -
<u>Deposits:</u>						
Bond Issue, net proceeds	32,940,670	-	-	-	-	-
Interest Income	699,113	866,483	265,303	86,918	-	-
<u>Transfers from:</u>						
Total Funds Available	33,639,783	28,907,154	8,805,974	227,589	-	-
<u>Disbursements:</u>						
Transfer to Renewal & Replacement Fund	5,599,113	20,366,483	8,665,303	227,588	-	-
subtotal	5,599,113	20,366,483	8,665,303	227,588	-	-
<b>Ending Balance</b>	<b>\$ 28,040,670</b>	<b>\$ 8,540,670</b>	<b>\$ 140,670</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ -</b>

Average annual change compared to prior year

NA

-69.5%

-98.4%

-100.0%

0.0%

0.0%

## Debt Service Reserve Fund

	<b>Amended</b>					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>Restricted Fund</b>						
Beginning Balance	\$ -	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733
<u>Deposits:</u>						
Bond Issue, net proceeds	4,072,733	-	-	-	-	-
Interest Income	89,600	195,491	195,491	195,491	195,491	195,491
<u>Transfers from:</u>						
Total Funds Available	4,162,333	4,268,224	4,268,224	4,268,224	4,268,224	4,268,224
<u>Disbursements:</u>						
Transfer to Renewal & Replacement Fund	-	-	-	-	-	-
<u>Transfers to:</u>						
Revenue Fund-Interest Pymt	-	-	-	-	-	-
Revenue Fund	89,600	195,491	195,491	195,491	195,491	195,491
subtotal	89,600	195,491	195,491	195,491	195,491	195,491
<b>Ending Balance</b>	<b><u>\$ 4,072,733</u></b>	<b><u>\$ 4,072,733</u></b>	<b><u>\$ 4,072,733</u></b>	<b><u>\$ 4,072,733</u></b>	<b><u>\$ 4,072,733</u></b>	<b><u>\$ 4,072,733</u></b>

Average annual change compared to prior year	NA	0.0%	0.0%	0.0%	0.0%	0.0%
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## Capitalized Interest Fund

	Amended					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>Restricted Fund</b>						
Beginning Balance	\$ -	\$ 3,932,533	\$ 2,137,529	\$ 239,788	\$ 0	\$ 0
<u>Deposits:</u>						
Bond Issue, net proceeds	5,485,254	-	-	-	-	-
Interest Income	195,579	193,583	90,848	500		
<u>Transfers from:</u>						
Total Funds Available	5,680,833	4,126,117	2,228,376	240,288	0	0
<u>Disbursements:</u>						
Transfer to Sinking Fund	1,748,300	1,988,588	1,988,588	240,288		
<u>Transfers to:</u>						
Renewal & Replacement Fund	-	-	-	-	-	-
Revenue Fund	-	-	-	-	-	-
subtotal	<u>1,748,300</u>	<u>1,988,588</u>	<u>1,988,588</u>	<u>240,288</u>	-	-
<b>Ending Balance</b>	<b><u>\$ 3,932,533</u></b>	<b><u>\$ 2,137,529</u></b>	<b><u>\$ 239,788</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>

Average annual change compared to prior year	100.0%	-45.6%	-88.8%	-100.0%	0.0%	0.0%
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The Capitalized Interest Fund is reduced each year when the bi-annual interest payment is made to bond holder.

**Revenue Fund**

	<b>Amended</b>					
	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Current Fund:</b>						
Number of Customers	29,731	29,976	30,220	30,469	30,713	30,959
Sales of Electricity - kWh	742,485,788	705,361,498	724,324,010	743,810,301	758,267,056	771,250,521
Increase compared to prior year projected	0.00%	-5.00%	2.69%	2.69%	1.94%	1.71%
Basic Rate (Demand & Energy)	\$ 90,039,967	\$ 85,585,792	\$ 90,525,134	\$ 92,949,487	\$ 97,629,827	\$ 99,285,345
Power Cost Adjustment (PCA)	4,514,181	8,846,184	8,905,907	10,073,871	11,452,495	12,937,023
Customer Charge	<u>2,201,077</u>	<u>2,221,110</u>	<u>2,341,935</u>	<u>2,363,912</u>	<u>2,490,162</u>	<u>2,511,172</u>
subtotal Electric Revenues	96,755,225	96,653,086	101,772,976	105,387,270	111,572,484	114,733,540
Gross Receipts Tax (GRT)	<u>2,480,804</u>	<u>2,478,185</u>	<u>2,609,459</u>	<u>2,702,130</u>	<u>2,860,718</u>	<u>2,941,768</u>
subtotal Operating Revenues	99,236,029	99,131,271	104,382,435	108,089,400	114,433,203	117,675,308
Other Operating Revenue	2,553,882	3,173,239	3,231,913	3,291,625	3,352,811	3,415,514
Non-Operating Revenue (Interest Income)	1,703,924	1,945,553	1,806,386	2,029,277	2,165,061	2,164,985
Non-Operating Revenue (Other)	837,120	4,734,704	1,214,234	2,541,534	2,613,159	2,692,123
Transfer from Rate Stabilization Fund	-	-	-	-	-	-
<b>Total Revenues</b>	<u>104,330,954</u>	<u>108,984,766</u>	<u>110,634,967</u>	<u>115,951,837</u>	<u>122,564,234</u>	<u>125,947,930</u>
<b>Operation &amp; Maintenance Exp.</b>						
Total Purchase Power Costs	63,913,044	65,275,104	66,851,828	69,578,695	72,113,859	74,637,065
Total Other Power Supply	1,315,511	1,499,640	1,665,673	1,438,689	1,329,128	1,316,797
Total Transmission	4,098,145	4,008,044	4,177,898	4,129,219	4,207,554	4,266,959
Total Distribution Expense	4,053,000	4,487,465	4,678,089	4,607,657	4,654,675	4,792,152
Total Customer Expense	1,460,025	1,530,354	1,563,003	1,611,392	1,661,706	1,713,836
Total Admin & General Expense	<u>17,231,877</u>	<u>18,263,131</u>	<u>18,739,279</u>	<u>19,398,805</u>	<u>19,580,201</u>	<u>20,222,581</u>
subtotal Expenses	92,071,601	95,063,738	97,675,768	100,764,457	103,547,123	106,949,390
<b>Transfers</b>						
To Bond Sinking Fund	\$ 8,451,538	\$ 8,386,900	\$ 8,392,294	\$ 10,373,069	\$ 10,383,431	\$ 10,380,906
To Renewal & Replacement Fund	415,295	5,062,250	3,568,750	3,875,000	8,175,000	7,760,000
To (from) Rate Stabilization Fund	700,000	700,000	-	-	-	-
To (From ) Operating Reserve Fund, net	1,660,000	800,000	625,000	475,000	25,000	200,000
Payment to City of Key West, FL	<u>378,769</u>	<u>370,294</u>	<u>407,625</u>	<u>418,023</u>	<u>456,722</u>	<u>464,538</u>
subtotal Transfers	11,605,601	15,319,444	12,993,669	15,141,092	19,040,153	18,805,444
<b>Total O&amp;M Expenses and Transfers</b>	<u>103,677,203</u>	<u>110,383,182</u>	<u>110,669,437</u>	<u>115,905,549</u>	<u>122,587,276</u>	<u>125,754,834</u>
Average annual change compared to prior year	1.7%	6.5%	0.3%	4.7%	5.8%	2.6%
Beginning Balance	951,015	1,604,767	206,351	171,881	218,169	195,127
Increase / (Decrease) During Year	653,752	(1,398,416)	(34,470)	46,288	(23,042)	193,096
Sub-total Ending Balance	<u>\$ 1,604,767</u>	<u>\$ 206,351</u>	<u>\$ 171,881</u>	<u>\$ 218,169</u>	<u>\$ 195,127</u>	<u>\$ 388,223</u>

**Percent to Total Budget**

Purchased Power Costs	61.6%	59.1%	60.4%	60.0%	58.8%	59.4%
Other Power Supply Expenses	1.3%	1.4%	1.5%	1.2%	1.1%	1.0%
Transmission Expense	4.0%	3.6%	3.8%	3.6%	3.4%	3.4%
Distribution Expense	3.9%	4.1%	4.2%	4.0%	3.8%	3.8%
Customer Accounts Expense	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
Administrative and General Expense	<u>16.6%</u>	<u>16.5%</u>	<u>16.9%</u>	<u>16.7%</u>	<u>16.0%</u>	<u>16.1%</u>
Total Operations & Maintenance Expense	88.8%	86.1%	88.3%	86.9%	84.5%	85.0%
Capital Expenditures	0.4%	4.6%	3.2%	3.3%	6.7%	6.2%
Debt Service	8.2%	7.6%	7.6%	8.9%	8.5%	8.3%
Other Fund Transfers & Payments	<u>2.6%</u>	<u>1.7%</u>	<u>0.9%</u>	<u>0.8%</u>	<u>0.4%</u>	<u>0.5%</u>
Total Budget Allocation	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

