

UTILITY BOARD
OF THE
CITY OF KEY WEST, FLORIDA



BUDGET & FINANCIAL PLAN

FOR THE FISCAL YEARS BEGINNING OCTOBER 1, 2008
AND ENDING SEPTEMBER 30, 2013

APPROVED AUGUST 27, 2008

Table of Contents

<u>Page</u>	
1	Letter of Transmittal
4	Financial Plan - Overview
5	Financial Plan - Sources and Uses of Funds
6	Financial Plan –Operations and Maintenance Expenses
7	Financial Plan – Capital Budget
8	Fund Balances
9	Debt Service Coverage – Before Capitalized Overhead
10	Revenue Control
11	Number of Accounts
12	Customer Charge per Billing
13	Customer Charge Revenue
14	Energy Sales (kWh)
15	Energy Charge per kWh
16	Energy Charge Revenue
17	Billing Demand per kW
18	Billing Demand (kW)
19	Billing Demand Revenue
20	Energy Charge & Billing Demand Revenue
21	Power Cost Adjustment per kWh
22	Power Cost Adjustment Revenue
23	Gross Receipts Tax (GRT) Charged
24	Other Operating Revenue
25	Interest Income
26	Non-Operating Revenue
27	Operations & Maintenance Expenses
28	Purchased Power in Power Cost Adjustment
29	Other Power Supply and Transmission Expense
30	Distribution Expense
31	Customer Expense
32	Administration & General Expense and Taxes
33	Payment to the City of Key West, Florida
34	Operations and Maintenance Expense Budget by Function (FERC)
36	Summary of All Fund Activity
37	Bond Sinking Fund
38	Capital Improvement Fund Contribution in Aid of Construction (CIAC)
39	Customer Deposits Fund
40	Emergency Reserve Fund
41	Rate Stabilization Fund
42	Renewal & Replacement Fund
43	Revenue Fund
44	Operating Reserve Fund
45	Construction Fund
46	Capitalized Interest Fund
47	Debt Service Reserve Fund
48	Multi Year Capital Improvement Plan
52	Project Description and Explanations
56	Summary of Debt Service Coverage
61	Utility Board Travel Budget



(305) 295-1000
1001 James Street
PO Box 6100
Key West, FL 33040-6100
www.KeysEnergy.com

UTILITY BOARD OF THE CITY OF KEY WEST

November 24, 2008

Summary

The Budget includes the financial guide for the operation of Keys Energy Services (KEYS) during the upcoming fiscal year and a financial plan for the next four years. The Revenue, O&M, and Capital Budgets were approved August 27, 2008. The business priorities established during the 2008 Strategic Planning session helped guide the preparation of this budget.

The Grand Total Budget of \$133.7 million is an increase of \$24.3 million, or 22.3% as compared to the 2008 Amended Budget. The five year plan incorporates rate increases in Fiscal Year's 2009, 2011 and 2013.

Sales of Electricity

FY 2008 actual sales of 739,724 GWhs were 4.9% higher than budget. In forecasting sales for FY 09, a 0.75% increase over FY 08 actual sales is planned. For the remainder of the five year plan, FY 10 sales are planned flat with FY 09 and FY 11 to FY 13 sales include an increase of less than 2%. Loads and condo conversions have been taken into effect in forecasting sales.

Electric Revenues

Electric Revenues are \$120.8 million, which are \$24.6 million higher or 25.6% higher than the 2008 Amended Budget. The increase is primarily due to increased power cost revenues.

All Other Major Revenues

Historical trends were used as a basis for 2009 in all categories.

FY 09 includes:

- Credits & other reimbursements from Florida Municipal Power Agency (FMPA) - \$1.9 million
- Capacity credits from Florida Keys Electric Cooperative - \$432,000
- Miscellaneous Customer Charges – \$1.2 million

Operations & Maintenance Expenses

The Total O&M Budget increased \$23.2 million, or 24.5%, to \$117.9 million.

Purchase Power Costs are higher than 2008 by \$19.6 million. This is due to rates charged by FMPA. The 2008 budget included an energy rate of \$58.65 per MWh while the 2009 budget includes a rate of \$77.00 per MWh.

Other Power Supply Expenses are higher than 2008 by \$460,000.

Transmission Expenses are higher than 2008 by \$1.1 million.

Distribution Expenses are higher than 2008 by \$407,000.

Customer Expenses are higher than 2008 by \$34,000.

Administrative & General Expenses are higher than 2008 by \$1.6 million. The major increases are salary benefit related.

Multi-Year Capital Plan

Capital expenditures are planned over a five year period and many projects cover multiple years.

Major five-year major projects, by function, are:

- Distribution Improvements – largely Storm Hardening - \$12.1 million
- Purchase of transformers - \$7.7 million
- Daily distribution work orders - \$6.3 million
- Purchase of distribution meters - \$3.4 million
- Substation switchgear Upgrades - \$2.4 million
- Completion of Fiber Installation - \$1.8 million
- Repairs of Over the Water Transmission Pole Foundations - \$1.2 million

Fund Balances

The Construction Fund transfers to the Renewal & Replacement Fund will be \$11.5 million for 2009.

The Operating Reserve Fund has sufficient balances to maintain the 90-day requirement established by The Utility Board. The Emergency Reserve Fund balance of \$2.0 million remains unchanged throughout the Planning Period.

Debt Service Coverage

The Debt Service Coverage for 2009, before capitalized overhead, is anticipated to be 1.84 compared to the 1.25 required in Bond Resolution No. 532, Article V, Section 5.01, B.

Payment to the City of Key West

The payment to the City of Key West combined with projected In-Kind Services exceeds \$796,000 per year.

Respectfully Submitted,



Jack Wetzler
Assistant General Manager &
Chief Financial Officer

CC:
Lynne Tejeda, General Manager & CEO

Financial Plan - Overview

		FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
[1]	Number of Customers	29,976	29,426	29,672	29,921	30,173	30,428
	Sales of Electricity - kWh	705,361,498	745,061,985	744,965,370	759,435,233	772,238,784	783,339,223
	Increase compared to prior year projected		5.63%	-0.01%	1.94%	1.69%	1.44%
[2]	Total Revenues	\$ 106,961,261	\$ 133,355,562	\$ 131,298,679	\$ 138,845,100	\$ 142,142,556	\$ 149,194,749
	Base Rate Increase		3.75%		4.00%		4.00%
	Operation & Maintenance Expense	\$ 94,743,791	\$ 117,930,303	\$ 118,182,875	\$ 121,315,532	\$ 124,214,445	\$ 127,216,245
	Total Transfers	14,611,974	15,755,165	13,036,294	17,536,751	17,943,446	21,959,494
[3]	Total Disbursements	\$ 109,355,765	\$ 133,685,468	\$ 131,219,169	\$ 138,852,283	\$ 142,157,891	\$ 149,175,739
	Restricted Fund Balances	\$ 38,051,160	\$ 21,706,500	\$ 11,577,193	\$ 11,817,072	\$ 11,764,301	\$ 13,579,841
	Current Fund Balances	\$ 6,858,292	\$ 7,618,387	\$ 7,877,897	\$ 7,970,714	\$ 8,045,380	\$ 8,289,389
	Debt Service Coverage						
	Before Capitalized Overhead	1.46	1.84	1.25	1.66	1.73	1.94
	Capital Budget Funding Level	\$ 12,708,047	\$ 15,517,344	\$ 12,802,036	\$ 6,550,122	\$ 7,252,771	\$ 9,234,460
	Payment to City of Key West, FL	\$ 362,824	\$ 417,165	\$ 417,794	\$ 465,751	\$ 473,446	\$ 523,494
	In Kind Services provided to the City of Key West, FL.	371,705	379,139	386,722	394,457	402,346	410,393
	Total to the City of Key West,FL	\$ 734,529	\$ 796,304	\$ 804,516	\$ 860,208	\$ 875,791	\$ 933,887
	Key Indicators:						
1. Are there sufficient funds to cover the required 90 days Operating Expense requirement?	YES	YES	YES	YES	YES	YES	
2. What is the Rate Stabilization Fund Balance?	\$4,602,882	\$902,882	\$1,102,882	\$1,402,882	\$1,402,882	\$3,277,882	
3. Average monthly bill for a residential customer using 1000 kWh	\$ 141.26	\$ 167.56	\$ 169.04	\$ 175.59	\$ 176.86	\$ 183.27	
4. Base rate residential customer	\$ 0.1231	\$ 0.1277	\$ 0.1277	\$ 0.1328	\$ 0.1328	\$ 0.1381	

[1] FY09 Customer Count was trued up based upon average # of customers FY08 To Date, through June 2008.

[2] The increase from FY08 to FY09 is largely due to an increase in Power Costs. The decrease in Revenues from FY09 to FY10 is due to a Rate Stabilization transfer to the Revenue Fund in FY09 and repayments in FY's 10, 11 & 13.

[3] Total disbursements include transfers from the Revenue Fund to the Revenue & Replacement Fund for Capital Projects. Bond Fund Projects are scheduled to be completed by FY10 when an increase of Revenue funded capital projects is expected to occur.

Financial Plan - Sources and Uses of Funds

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
--	---------	---------	---------	---------	---------	---------

Revenues

Number of Customers	29,976	29,426	29,672	29,921	30,173	30,428
Sales of Electricity - kWh	705,361,498	745,061,985	744,965,370	759,435,233	772,238,784	783,339,223
increase from prior year sales		5.63%	-0.01%	1.94%	1.69%	1.44%
Operating Revenues	\$ 98,688,194	\$ 123,931,486	\$ 125,069,467	\$ 132,404,673	\$ 135,621,511	\$ 142,525,925
Other Operating Revenue	2,869,310	2,685,500	2,703,823	2,722,420	2,741,296	2,794,894
Non-Operating Revenue (Interest Income)	1,945,553	1,479,784	1,354,711	1,500,501	1,521,335	1,551,592
Non-Operating Revenue (Other)	3,458,204	1,558,792	2,170,679	2,217,506	2,258,413	2,322,338
subtotal	8,273,067	5,724,076	6,229,212	6,440,427	6,521,044	6,668,824
Transfer from Rate Stabilization Fund	0	3,700,000	0	0	0	0
Total Revenues	\$ 106,961,261	\$ 133,355,562	\$ 131,298,679	\$ 138,845,100	\$ 142,142,556	\$ 149,194,749

Average annual change compared to prior year
24.7%
-1.5%
5.7%
2.4%
5.0%

Operating & Maintenance Expenses

Total Purchase Power Costs	\$ 65,275,105	\$ 84,900,514	\$ 85,993,923	\$ 88,551,987	\$ 91,018,253	\$ 92,971,411
Total Other Power Supply	1,432,402	1,892,409	1,675,370	1,816,818	1,775,330	1,853,351
Total Transmission	3,957,120	5,053,680	4,637,004	4,800,243	4,744,539	4,910,888
Total Distribution Expense	4,337,943	4,745,231	4,350,348	4,209,294	4,229,314	4,332,661
Total Customer Expense	1,528,238	1,562,239	1,525,655	1,617,169	1,581,786	1,651,861
Total Admin & General Expense	18,212,984	19,776,230	20,000,575	20,320,021	20,865,223	21,496,074
Total O&M Expenses	\$ 94,743,791	\$ 117,930,303	\$ 118,182,875	\$ 121,315,532	\$ 124,214,445	\$ 127,216,245

Average annual change compared to prior year
24.5%
0.2%
2.7%
2.4%
2.4%

Transfers

To (from) Bond Sinking Fund	\$ 8,386,900	\$ 8,223,000	\$ 9,958,500	\$ 10,181,000	\$ 10,180,000	\$ 10,161,000
To (from) Renewal & Replacement Fund	5,062,250	6,025,000	2,280,000	6,490,000	7,200,000	9,175,000
To (from) Rate Stabilization Fund	-	-	200,000	300,000	-	1,875,000
To (from) Emergency Reserve Fund	-	-	-	-	-	-
To (from) FMPA Pooled Loan (Debt Svc)	-	-	-	-	-	-
To (from) Operating Reserve Fund	800,000	1,090,000	180,000	100,000	90,000	225,000
Payment to City of Key West, FL	362,824	417,165	417,794	465,751	473,446	523,494
Total Transfers	\$ 14,611,974	\$ 15,755,165	\$ 13,036,294	\$ 17,536,751	\$ 17,943,446	\$ 21,959,494

Average annual change compared to prior year
7.8%
-17.3%
34.5%
2.3%
22.4%

Financial Plan - Operations and Maintenance Expenses

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Operation & Maintenance Exp						
Total Purchase Power Costs	\$65,275,105	\$84,900,514	\$85,993,923	\$88,551,987	\$91,018,253	\$92,971,411
Total Other Power Supply	1,432,402	1,892,409	1,675,370	1,816,818	1,775,330	1,853,351
Total Transmission	3,957,120	5,053,680	4,637,004	4,800,243	4,744,539	4,910,888
Total Distribution Expense	4,337,943	4,745,231	4,350,348	4,209,294	4,229,314	4,332,661
Total Customer Expense	1,528,238	1,562,239	1,525,655	1,617,169	1,581,786	1,651,861
Total Admin & General Expense	18,212,984	19,776,230	20,000,575	20,320,021	20,865,223	21,496,074
Total O&M Expenses	\$ 94,743,791	\$ 117,930,303	\$ 118,182,875	\$ 121,315,532	\$ 124,214,445	\$ 127,216,245

Average annual change
compared to prior year

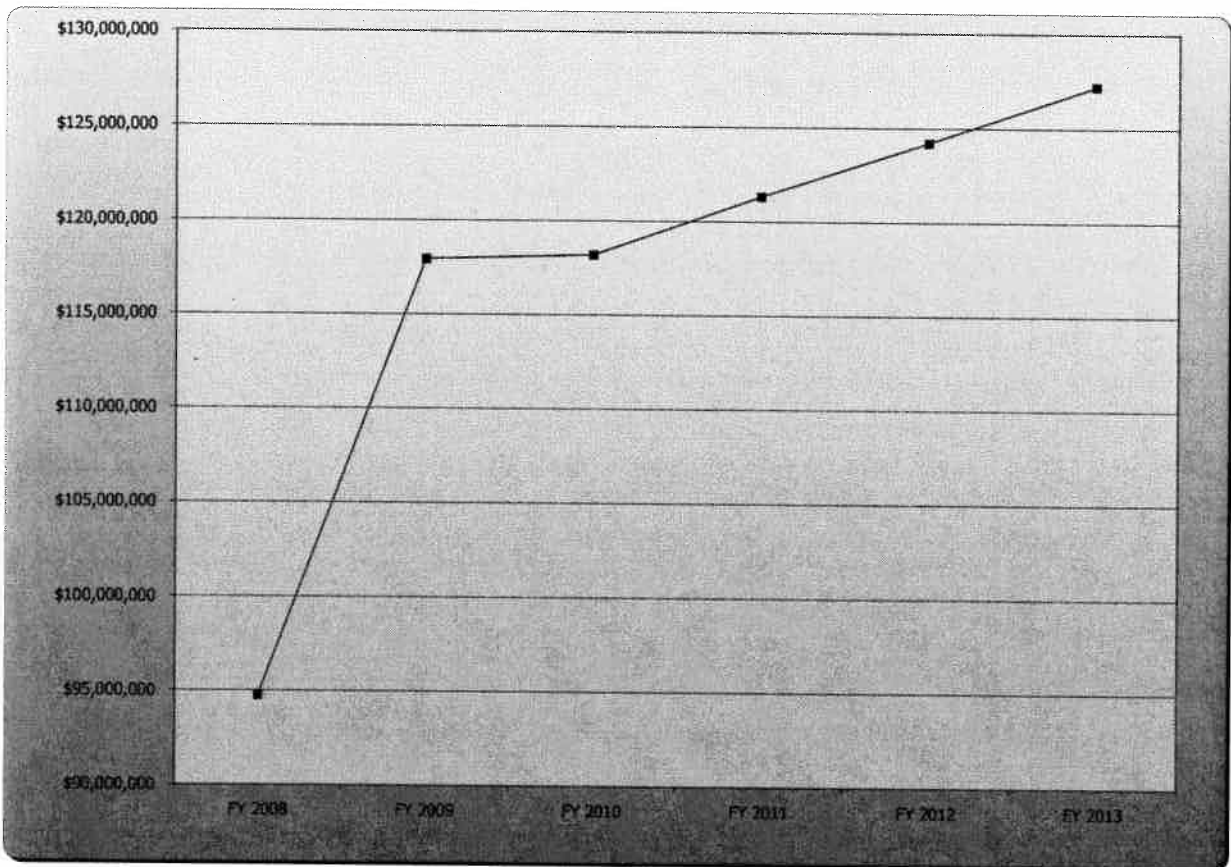
24.5%

0.2%

2.7%

2.4%

2.4%



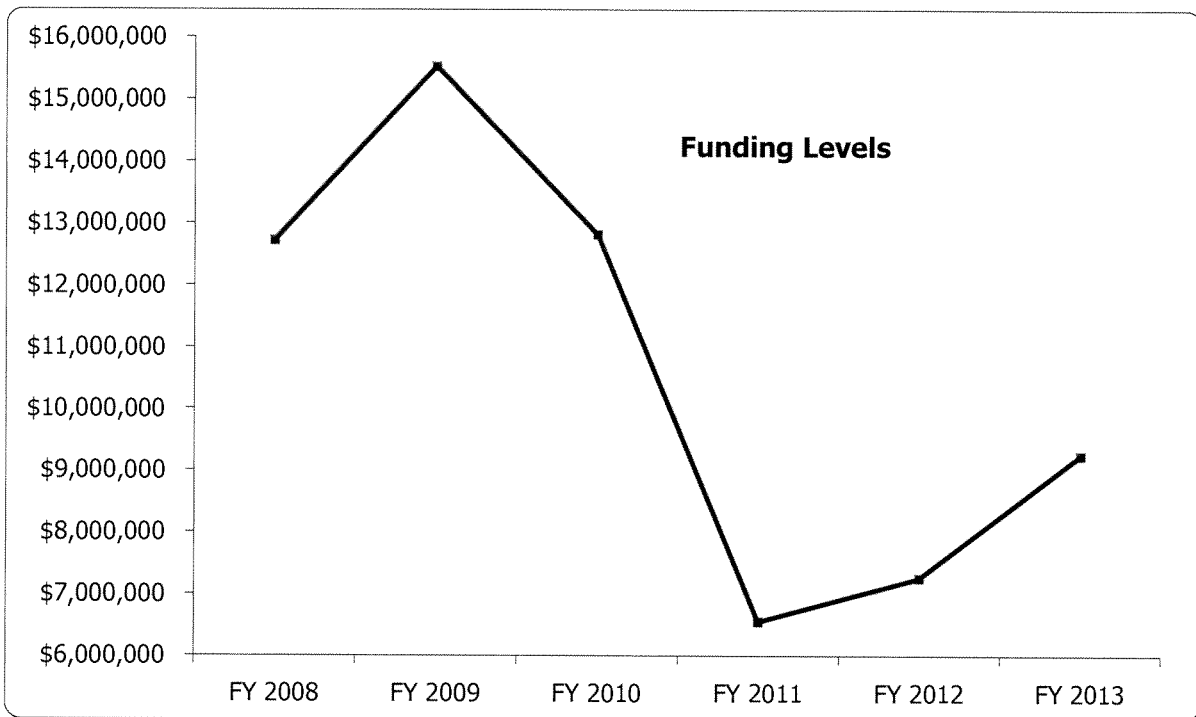
Financial Plan - Capital Budget

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Transmission	\$ 1,946,475	\$ 724,200	\$ 651,000	\$ 1,205,000	\$ 695,000	\$ 1,015,000
Distribution	11,156,184	10,641,391	9,318,044	5,887,618	5,391,108	4,784,630
Generation	2,165,669	1,561,696	1,575,301	1,036,066	435,000	1,680,000
Facilities	171,239	204,257	389,538	80,128	86,138	243,029
Fleets	690,000	195,000	185,000	492,000	285,000	425,000
Information Technology	2,151,250	2,140,800	233,153	399,310	185,525	361,801
Other	627,230	50,000	50,000	50,000	75,000	75,000
Total Proposed Capital Projects	18,908,047	15,517,344	12,402,036	9,150,122	7,152,771	8,584,460
Adjustment (1)	(6,200,000)	-	400,000	(2,600,000)	100,000	650,000
Total Capital Project Funding Level	\$ 12,708,047	\$ 15,517,344	\$ 12,802,036	\$ 6,550,122	\$ 7,252,771	\$ 9,234,460
<u>Percentage by Category</u>						
Transmission	10.3%	4.7%	5.2%	13.2%	9.7%	11.8%
Distribution	59.0%	68.6%	75.1%	64.3%	75.4%	55.7%
Generation	11.5%	10.1%	12.7%	11.3%	6.1%	19.6%
Facilities	0.9%	1.3%	3.1%	0.9%	1.2%	2.8%
Fleets	3.6%	1.3%	1.5%	5.4%	4.0%	5.0%
Information Technology	11.4%	13.8%	1.9%	4.4%	2.6%	4.2%
Other	3.3%	0.3%	0.4%	0.5%	1.0%	0.9%
Total Proposed Capital Budget	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Average annual funding level change compared to prior year

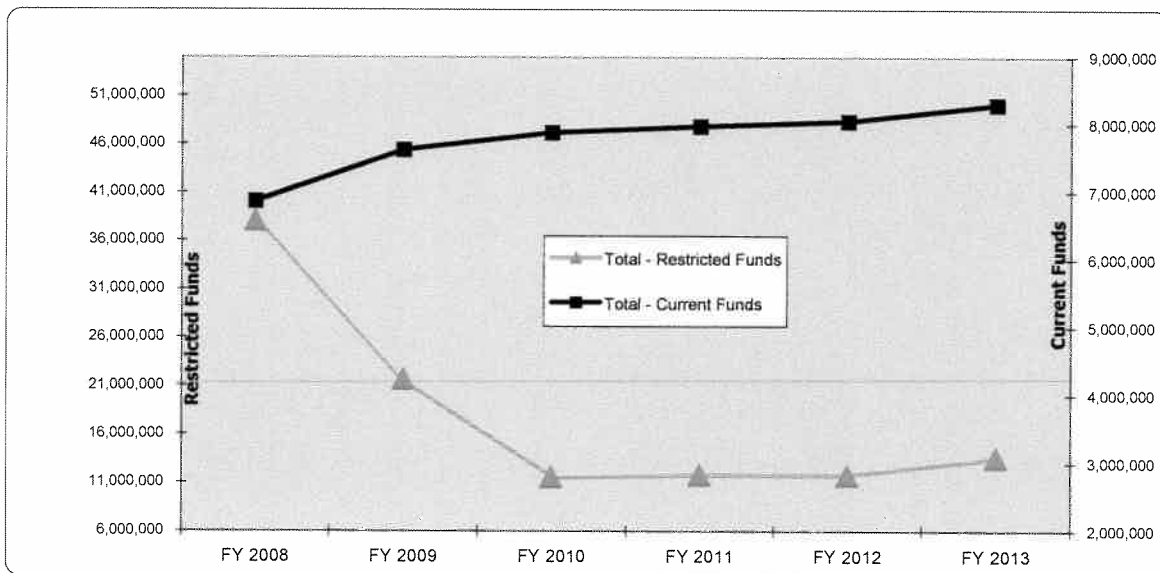
22.1% -17.5% -48.8% 10.7%

[(1) Proposed Projects To Be Rescheduled, deferred or carried over to another year within the five year financial plan



Fund Balances

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restricted Funds:						
Bond Sinking Fund	\$ 5	\$ 908	\$ 908	\$ 908	\$ 908	\$ 908
Construction Fund	21,071,045	10,271,045	-	-	-	-
Capital Interest Fund	1,789,992	0	(0)	(0)	-	-
Capital Improvement Fund	321,456	261,456	201,456	141,456	81,456	21,456
Customer Deposits Fund	4,188,596	4,188,596	4,188,596	4,188,596	4,188,596	4,188,596
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	4,602,882	902,882	1,102,882	1,402,882	1,402,882	3,277,882
Renewal and Replacement Fund	4,451	8,879	10,618	10,497	17,726	18,265
Total - Restricted Funds	<u>38,051,160</u>	<u>21,706,500</u>	<u>11,577,193</u>	<u>11,817,072</u>	<u>11,764,301</u>	<u>13,579,841</u>
Average annual change compared to prior year		-43.0%	-46.7%	2.1%	-0.4%	15.4%
Current Funds:						
Revenue Fund	\$ 358,078	\$ 28,172	\$ 107,683	\$ 100,500	\$ 85,165	\$ 104,175
Operating Reserve Fund	6,500,214	7,590,214	7,770,214	7,870,214	7,960,214	8,185,214
Total - Current Funds	<u>6,858,292</u>	<u>7,618,387</u>	<u>7,877,897</u>	<u>7,970,714</u>	<u>8,045,380</u>	<u>8,289,389</u>
Average annual change compared to prior year		11.1%	3.4%	1.2%	0.9%	3.0%
Total - All Funds	<u>\$ 44,909,452</u>	<u>\$ 29,324,887</u>	<u>\$ 19,455,091</u>	<u>\$ 19,787,786</u>	<u>\$ 19,809,681</u>	<u>\$ 21,869,230</u>



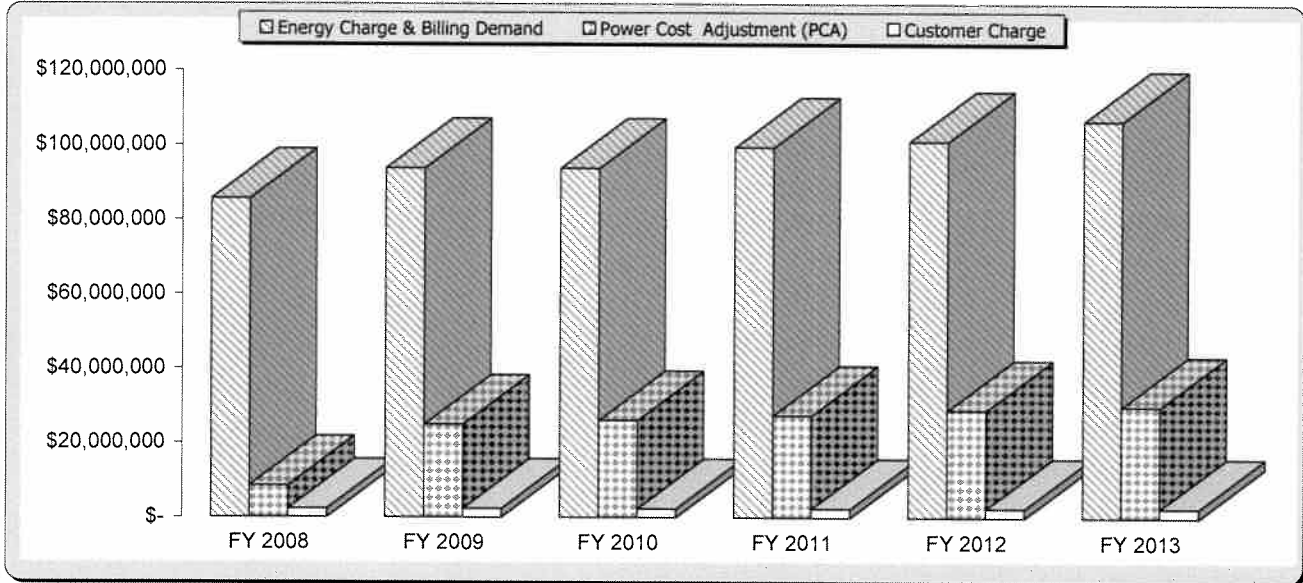
Revenue Control

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Number of Customers	29,976	29,426	29,672	29,921	30,173	30,428
Sales of Electricity - kWh	705,361,498	745,061,985	744,965,370	759,435,233	772,238,784	783,339,223
Increase compared to prior year projected	2.69%	5.63%	-0.01%	1.94%	1.69%	1.44%
Energy Charge & Billing Demand	\$ 85,585,792	\$ 93,693,827	\$ 93,680,665	\$ 99,317,431	\$ 100,988,898	\$ 106,534,000
Power Cost Adjustment (PCA)	8,414,184	24,863,555	25,964,694	27,365,168	28,807,151	29,872,273
Customer Charge	2,221,110	2,275,937	2,297,494	2,412,086	2,435,057	2,556,644
subtotal Electric Revenues	96,221,085	120,833,320	121,942,852	129,094,685	132,231,106	138,962,916
Gross Receipts Tax (GRT)	2,467,109	3,098,166	3,126,615	3,309,988	3,390,406	3,563,009
subtotal Operating Revenues	98,688,194	123,931,486	125,069,467	132,404,673	135,621,511	142,525,925
Other Operating Revenue	2,869,310	2,685,500	2,703,823	2,722,420	2,741,296	2,794,894
Non-Operating Revenue (Interest Income)	1,945,553	1,479,784	1,354,711	1,500,501	1,521,335	1,551,592
Non-Operating Revenue (Other)	3,458,204	1,558,792	2,170,679	2,217,506	2,258,413	2,322,338
Transfer from Rate Stabilization Fund	-	3,700,000	-	-	-	-
Total Revenues	\$ 106,961,261	\$ 133,355,562	\$ 131,298,679	\$ 138,845,100	\$ 142,142,556	\$ 149,194,749

Average annual change compared to prior year	24.7%	-1.5%	5.7%	2.4%	5.0%
--	-------	-------	------	------	------

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

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	24,245	23,711	23,877	24,044	24,212	24,382
Senior Citizens	270	367	370	372	375	377
Small Commercial	3,030	3,205	3,269	3,334	3,401	3,469
Recreation Lighting	4	3	3	3	3	3
Large Commercial	666	661	674	688	701	715
Large Commercial - Primary (1)	7	5	5	5	5	5
Military Service	1	1	1	1	1	1
Churches	15	16	16	17	17	17
Street Lighting	4	5	5	5	5	5
Area Lights	<u>1,734</u>	<u>1,452</u>	<u>1,452</u>	<u>1,452</u>	<u>1,452</u>	<u>1,452</u>
Total	<u>29,976</u>	<u>29,426</u>	<u>29,672</u>	<u>29,921</u>	<u>30,173</u>	<u>30,428</u>

Average annual change
compared to prior year

-1.8% 0.8% 0.8% 0.8% 0.8%

(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

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	\$ 6.24	\$ 6.47	\$ 6.47	\$ 6.73	\$ 6.73	\$ 7.00
Senior Citizens	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Small Commercial	\$ 6.76	\$ 7.01	\$ 7.01	\$ 7.29	\$ 7.29	\$ 7.59
Recreation Lighting	\$ 14.28	\$ 14.81	\$ 14.81	\$ 15.41	\$ 15.41	\$ 16.02
Large Commercial	\$ 19.24	\$ 19.96	\$ 19.96	\$ 20.76	\$ 20.76	\$ 21.59
Large Commercial - Primary (1)	\$ 19.24	\$ 19.96	\$ 19.96	\$ 20.76	\$ 20.76	\$ 21.59
Military Service	\$ 19.24	\$ 19.96	\$ 19.96	\$ 20.76	\$ 20.76	\$ 21.59
Churches	\$ 19.24	\$ 19.96	\$ 19.96	\$ 20.76	\$ 20.76	\$ 21.59
Street Lighting	-	-	-	-	-	-
Area Lights	-	-	-	-	-	-

(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 Revenue

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	\$ 1,815,429	\$ 1,842,060	\$ 1,854,955	\$ 1,942,657	\$ 1,956,255	\$ 2,048,747
Senior Citizens	-	-	-	-	-	-
Small Commercial	245,777	269,739	275,134	291,862	297,699	315,800
Recreation Lighting	691	533	533	555	555	577
Large Commercial	153,825	158,335	161,501	171,321	174,747	185,372
Large Commercial - Primary (1)	1,719	1,198	1,222	1,296	1,322	1,402
Military Service	231	240	240	249	249	259
Churches	3,437	3,833	3,909	4,147	4,230	4,487
Street Lighting	-	-	-	-	-	-
Area Lights	-	-	-	-	-	-
Total	<u>\$ 2,221,110</u>	<u>\$ 2,275,937</u>	<u>\$ 2,297,494</u>	<u>\$ 2,412,086</u>	<u>\$ 2,435,057</u>	<u>\$ 2,556,644</u>

Average annual change
compared to prior year

2.5% 0.9% 5.0% 1.0% 5.0%

(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 or primary conductors and agree to purchase a fixed minimum amount of power each month.

Energy Sales (kWh)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	315,076,026	334,953,074	337,967,652	344,963,582	351,000,445	356,265,451
Senior Citizens	2,119,345	3,375,064	3,405,440	3,475,932	3,536,761	3,589,812
Small Commercial	70,679,419	75,287,358	74,534,484	76,025,174	77,606,498	78,770,595
Recreation Lighting	206,067	154,790	156,183	157,589	160,347	162,752
Large Commercial	218,270,776	240,029,152	237,148,802	242,081,497	246,317,923	250,012,692
Large Commercial - Primary (1)	17,306,178	15,430,803	15,276,495	15,594,246	15,867,145	16,105,153
Military Service	77,076,604	70,843,795	71,445,967	72,053,258	72,665,711	73,283,369
Churches	480,823	700,380	706,333	721,025	721,025	721,025
Street Lighting	2,747,560	2,834,289	2,858,380	2,884,106	2,884,106	2,927,367
Area Lights	<u>1,398,700</u>	<u>1,453,280</u>	<u>1,465,633</u>	<u>1,478,824</u>	<u>1,478,824</u>	<u>1,501,006</u>
Total	<u>705,361,498</u>	<u>745,061,985</u>	<u>744,965,370</u>	<u>759,435,233</u>	<u>772,238,784</u>	<u>783,339,223</u>

Average annual change
compared to prior year

5.63%

-0.01%

1.94%

1.69%

1.44%

(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 per kWh

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	\$ 0.1231	\$ 0.1277	\$ 0.1277	\$ 0.1328	\$ 0.1328	0.1381
Senior Citizens	\$ 0.1231	\$ 0.1277	\$ 0.1277	\$ 0.1328	\$ 0.1328	0.1381
Small Commercial	\$ 0.1278	\$ 0.1326	\$ 0.1326	\$ 0.1379	\$ 0.1379	0.1434
Recreation Lighting	\$ 0.1486	\$ 0.1541	\$ 0.1541	\$ 0.1603	\$ 0.1603	0.1667
Large Commercial	\$ 0.1029	\$ 0.1068	\$ 0.1068	\$ 0.1111	\$ 0.1111	0.1155
Large Commercial - Primary (1)	\$ 0.1022	\$ 0.1060	\$ 0.1060	\$ 0.1103	\$ 0.1103	0.1147
Military Service	\$ 0.1022	\$ 0.1060	\$ 0.1060	\$ 0.1103	\$ 0.1103	0.1147
Churches	\$ 0.1231	\$ 0.1277	\$ 0.1277	\$ 0.1328	\$ 0.1328	0.1381
Street Lighting	\$ 0.1321	\$ 0.1371	\$ 0.1371	\$ 0.1426	\$ 0.1426	0.1483
Area Lights	\$ 0.1735	\$ 0.1800	\$ 0.1800	\$ 0.1872	\$ 0.1872	0.1947
Power Cost Adjustment	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381
Power Cost in Base	\$ 0.0800	\$ 0.0800	\$ 0.0800	\$ 0.0800	\$ 0.0800	\$ 0.0800

(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

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	\$ 38,784,599	\$42,777,560	\$ 43,162,559	\$ 45,818,264	\$ 46,620,084	\$ 49,212,161
Senior Citizens	260,883	431,037	434,916	461,675	\$ 469,755	495,873
Small Commercial	9,031,133	9,980,664	9,880,858	10,481,614	\$ 10,699,631	11,294,531
Recreation Lighting	30,617	23,861	24,075	25,264	\$ 25,706	27,135
Large Commercial	22,464,428	25,630,193	25,322,631	26,883,315	\$ 27,353,773	28,874,643
Large Commercial - Primary (1)	1,768,553	1,636,039	1,619,678	1,719,502	\$ 1,749,593	1,846,871
Military Service	7,876,612	7,511,157	7,575,002	7,944,965	\$ 8,012,497	8,403,827
Churches	59,187	89,447	90,207	95,767	\$ 95,767	99,598
Street Lighting	363,074	388,579	391,882	411,226	\$ 411,226	434,090
Area Lights	242,725	261,654	263,878	276,903	\$ 276,903	292,299
Total	\$ 80,881,811	\$ 88,730,190	\$ 88,765,685	\$ 94,118,494	\$ 95,714,934	\$ 100,981,026

Average annual change compared
to prior year

9.7%

0.0%

6.0%

1.7%

5.5%

(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.

Billing Demand per kW

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Senior Citizens	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Small Commercial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recreation Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Large Commercial	\$ 6.71	\$ 6.96	\$ 6.96	\$ 7.24	\$ 7.24	\$ 7.53
Large Commercial - Primary (1)	\$ 6.45	\$ 6.69	\$ 6.69	\$ 6.96	\$ 6.96	\$ 7.24
Military Service	\$ 6.48	\$ 6.72	\$ 6.72	\$ 6.99	\$ 6.99	\$ 7.27
Churches	\$ 1.87	\$ 1.94	\$ 1.94	\$ 2.02	\$ 2.02	\$ 2.10
Street Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Area Lights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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.

Billing Demand (kW)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	-	-	-	-	-	-
Senior Citizens	-	-	-	-	-	-
Small Commercial	-	-	-	-	-	-
Recreation Lighting	-	-	-	-	-	-
Large Commercial	516,107	559,297	552,586	564,080	573,951	582,560
Large Commercial - Primary (1)	44,098	28,900	28,611	29,206	29,717	30,163
Military Service	145,164	128,809	128,809	128,809	128,809	128,809
Churches	8,450	5,486	5,486	5,486	5,486	5,486
Street Lighting	-	-	-	-	-	-
Area Lights	-	-	-	-	-	-
Total	<u>713,820</u>	<u>722,492</u>	<u>715,491</u>	<u>727,580</u>	<u>737,962</u>	<u>747,018</u>

Average annual change
compared to prior year

1.2% -1.0% 1.7% 1.4% 1.2%

(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.

Billing Demand Revenue

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Senior Citizens	-	-	-	-	-	-
Small Commercial	-	-	-	-	-	-
Recreation Lighting	-	-	-	-	-	-
Large Commercial	3,463,079	3,893,619	3,846,895	4,083,987	4,155,457	4,386,500
Large Commercial - Primary (1)	284,435	193,396	191,462	203,262	206,819	218,318
Military Service	940,665	865,980	865,980	900,619	900,619	936,644
Churches	15,802	10,643	10,643	11,069	11,069	11,511
Street Lighting	-	-	-	-	-	-
Area Lights	-	-	-	-	-	-
Total	<u>\$ 4,703,981</u>	<u>\$ 4,963,637</u>	<u>\$ 4,914,980</u>	<u>\$ 5,198,937</u>	<u>\$ 5,273,964</u>	<u>\$ 5,552,974</u>

Average annual change
compared to prior year

5.5% -1.0% 5.8% 1.4% 5.3%

(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 & Billing Demand Revenue

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	\$ 38,784,599	\$ 42,777,560	\$ 43,162,559	\$ 45,818,264	\$ 46,620,084	\$ 49,212,161
Senior Citizens	260,883	431,037	434,916	461,675	469,755	495,873
Small Commercial	9,031,133	9,980,664	9,880,858	10,481,614	10,699,631	11,294,531
Recreation Lighting	30,617	23,861	24,075	25,264	25,706	27,135
Large Commercial	25,927,508	29,523,812	29,169,526	30,967,302	31,509,230	33,261,143
Large Commercial - Primary (1)	2,052,988	1,829,434	1,811,140	1,922,764	1,956,412	2,065,189
Military Service	8,817,277	8,377,137	8,440,982	8,845,584	8,913,116	9,340,471
Churches	74,989	100,090	100,850	106,836	106,836	111,109
Street Lighting	363,074	388,579	391,882	411,226	411,226	434,090
Area Lights	242,725	261,654	263,878	276,903	276,903	292,299
Total	\$ 85,585,792	\$ 93,693,827	\$ 93,680,665	\$ 99,317,431	\$ 100,988,898	\$ 106,534,000

Average annual change
compared to prior year

9.5%

0.0%

6.0%

1.7%

5.5%

(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

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381
Senior Citizens	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381
Small Commercial	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381
Recreation Lighting	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381
Large Commercial	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381
Large Commercial - Primary (1)	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381
Military Service	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381
Churches	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381
Street Lighting	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381
Area Lights	\$ 0.0119	\$ 0.0334	\$ 0.0349	\$ 0.0360	\$ 0.0373	\$ 0.0381

Average annual change compared to prior year		179.8%	4.4%	3.4%	3.5%	2.2%
--	--	--------	------	------	------	------

(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 Revenue

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Residential	\$ 3,758,509	\$ 11,177,760	\$ 11,779,375	\$ 12,430,272	\$ 13,093,518	\$ 13,586,015
Senior Citizens	25,281	112,630	118,692	125,250	131,933	136,896
Small Commercial	843,127	2,512,424	2,597,792	2,739,459	2,894,988	3,003,880
Recreation Lighting	2,458	5,166	5,444	5,678	5,981	6,206
Large Commercial	2,603,729	8,010,042	8,265,479	8,723,062	9,188,502	9,534,116
Large Commercial - Primary (1)	206,444	514,943	532,440	561,916	591,899	614,162
Military Service	919,439	2,364,137	2,490,146	2,596,337	2,710,680	2,794,627
Churches	5,736	23,372	24,618	25,981	26,897	27,496
Street Lighting	32,775	94,583	99,625	103,925	107,587	111,634
Area Lights	16,685	48,498	51,083	53,287	55,165	57,240
Total	\$ 8,414,184	\$ 24,863,555	\$ 25,964,694	\$ 27,365,168	\$ 28,807,151	\$ 29,872,273

Average annual change
compared to prior year

195.5% 4.4% 5.4% 5.3% 3.7%

(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

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Billing Demand Revenue	\$ 4,703,981	\$ 4,963,637	\$ 4,914,980	\$ 5,198,937	\$ 5,273,964	\$ 5,552,974
Energy Charge	80,881,811	88,730,190	88,765,685	94,118,494	95,714,934	100,981,026
Power Cost Adjustment	8,414,184	24,863,555	25,964,694	27,365,168	28,807,151	29,872,273
Customer Charges	<u>2,221,110</u>	<u>2,275,937</u>	<u>2,297,494</u>	<u>2,412,086</u>	<u>2,435,057</u>	<u>2,556,644</u>
subtotal	<u>96,221,085</u>	<u>120,833,320</u>	<u>121,942,852</u>	<u>129,094,685</u>	<u>132,231,106</u>	<u>138,962,916</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>
Gross Receipts Tax	<u>\$ 2,467,109</u>	<u>\$ 3,098,166</u>	<u>\$ 3,126,615</u>	<u>\$ 3,309,988</u>	<u>\$ 3,390,406</u>	<u>\$ 3,563,009</u>

Average annual change compared to prior year		25.6%	0.9%	5.9%	2.4%	5.1%
--	--	-------	------	------	------	------

Other Operating Revenue

	Amended FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
FMPA Reserve Capacity Credit (1)	\$ 1,087,320	\$ 859,000	\$ 859,000	\$ 859,000	\$ 859,000	\$ 859,000
FMPA Diesel Variable O&M (2)	45,900	33,000	33,000	33,000	33,000	33,000
FMPA Start up Credits (3)	147,900	140,000	140,000	140,000	140,000	140,000
FKEC Reserve Capacity Charges (4)	432,000	432,000	432,000	432,000	432,000	432,000
FMPA Shared Costs - Security Guard	72,000	55,000	55,825	56,662	57,512	58,375
Meter Tampering	8,000	6,000	6,090	6,181	6,274	6,368
Penalty Charges	606,000	625,000	634,375	643,891	653,549	663,352
Service Charges	220,000	210,000	213,150	216,347	219,592	222,886
Temporary Disconnects	40,000	1,000	1,015	1,030	1,046	35,500
Initial Permanent Service Charge	56,662	150,000	152,250	154,534	156,852	159,205
Trouble Calls	6,500	9,500	9,643	9,787	9,934	10,083
NSF Check Charge	10,500	15,000	15,225	15,453	15,685	15,920
Line Extension Fees	136,528	150,000	152,250	154,534	156,852	159,205
Total	\$ 2,869,310	\$ 2,685,500	\$ 2,703,823	\$ 2,722,420	\$ 2,741,296	\$ 2,794,894

Average annual change compared to prior year		-6.4%	0.7%	0.7%	0.7%	2.0%
Annual Expected Increase	2.0%	1.0%	1.0%	1.0%	1.0%	1.0%

(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

	Amended					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Revenue Fund	\$ 650,000	\$ 650,000	\$ 650,000	\$ 650,000	\$ 650,000	\$ 650,000
Bond Sinking Fund	196,976	140,397	140,243	152,711	152,695	152,427
Debt Service Reserve Fund	185,355	122,182	122,182	142,546	142,546	142,546
Capital Improvement Fund	7,320	8,840	7,190	6,044	4,244	2,444
Customer Deposits Fund	197,191	115,186	115,186	125,658	125,658	125,658
Emergency Reserve Fund	100,000	55,000	55,000	60,000	60,000	60,000
Operating Reserve Fund	287,011	178,756	208,731	233,106	236,106	238,806
Rate Stabilization Fund	195,144	126,579	24,829	33,086	42,086	42,086
Renewal & Replacement Fund	126,556	82,844	31,350	97,350	108,000	137,625
Total	<u>\$ 1,945,553</u>	<u>\$ 1,479,784</u>	<u>\$ 1,354,711</u>	<u>\$ 1,500,501</u>	<u>\$ 1,521,335</u>	<u>\$1,551,592</u>

Average annual change
compared to prior year

-23.9% -8.5% 10.8% 1.4% 2.0%

Interest Rate

5.0% 2.8% 2.8% 3.0% 3.0% 3.0%

Non-Operating Revenue

	Amended FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Joint Tree Trimming Project	\$ 140,676	\$ 115,000	\$ 117,300	\$ 119,646	\$ 122,039	\$ 123,870
Bellsouth Pole Rental	193,406	140,000	142,800	145,656	148,569	150,798
Comcast Pole Rental	157,658	165,000	168,300	171,666	175,099	177,726
Stock Island Rental [Front Street]	42,436					
FKEC Pole Attachment Rental	23,340	25,000	25,500	26,010	26,530	26,928
Cingular Smokestack Rental	46,884	51,000	51,000	51,000	51,000	51,000
CT 2, 3, & 4 Labor Reimbursement	790,000	835,820	877,611	921,492	967,566	1,015,944
USCG Smokestack Rental	6,429	6,622	4,547			
Steamplant Condominium LLC Rent	-	100,000	102,000	104,040	106,121	107,713
Sale of Cudjoe Key Property	1,938,000					
Credit Auction and Sale Proceeds	54,375	54,375	614,656	610,027	592,500	598,336
Other Revenue	65,000	65,975	66,965	67,969	68,989	70,023
Total	<u>\$ 3,458,204</u>	<u>\$ 1,558,792</u>	<u>\$ 2,170,679</u>	<u>\$ 2,217,506</u>	<u>\$ 2,258,413</u>	<u>\$ 2,322,338</u>

Average annual change compared to prior year		-54.9%	39.3%	2.2%	1.8%	2.8%
Annual Expected Increase	2.0%	2.0%	2.0%	2.0%	2.0%	1.5%

The FY08 budget originally had a carryover from FY07 as anticipated percentage rent from the sale of Market Rate units at the Steamplant Condominiums. In FY08, staff was advised that the anticipated revenues should be excluded from the budget as they will not materialize. Thus, \$1,187,000 was removed from FY08 and not re budgeted in future years.

The proceeds from the sale of the property currently leased by BAMA have not been budgeted. When the closing occurs the land Use Committee will evaluate the use of the funds for strengthening facilities and reliability and budget accordingly.

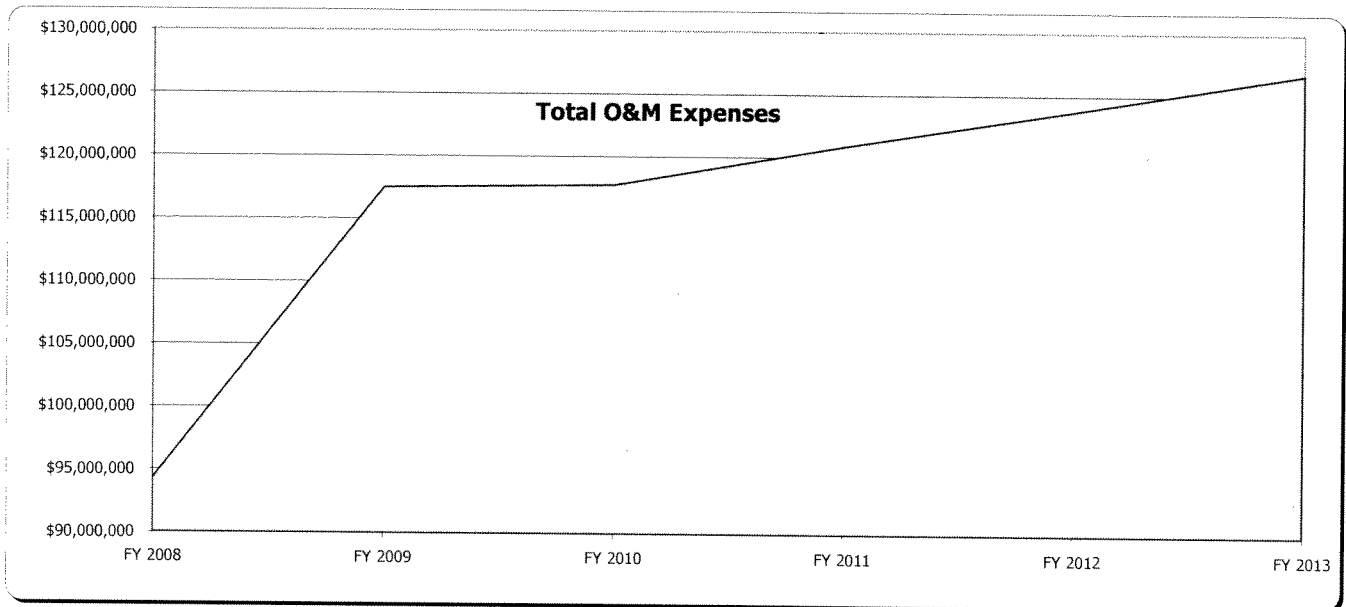
Operations & Maintenance Expenses

	Amended FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Total Purchased Power Costs	\$ 64,843,105	\$ 84,468,514	\$ 85,561,923	\$ 88,119,987	\$ 90,586,253	\$92,539,411
Total Other Power Supply	1,432,402	1,892,409	1,675,370	1,816,818	1,775,330	1,853,351
Total Transmission Expense	3,957,120	5,053,680	4,637,004	4,800,243	4,744,539	4,910,888
Total Distribution Expense	4,337,943	4,745,231	4,350,348	4,209,294	4,229,314	4,332,661
Total Customer Expense	1,528,238	1,562,239	1,525,655	1,617,169	1,581,786	1,651,861
Total A&G and Tax Expense	<u>18,212,984</u>	<u>19,776,230</u>	<u>20,000,575</u>	<u>20,320,021</u>	<u>20,865,223</u>	<u>21,496,074</u>
Total O & M expenses	<u>\$ 94,311,791</u>	<u>\$ 117,498,303</u>	<u>\$ 117,750,875</u>	<u>\$ 120,883,532</u>	<u>\$ 123,782,445</u>	<u>\$ 126,784,245</u>

Add:						
Capacity Reservation Revenue	432,000	432,000	432,000	432,000	432,000	432,000
Other	-	-	-	-	-	-
Grand Total O & M expenses	<u>\$ 94,743,791</u>	<u>\$ 117,930,303</u>	<u>\$ 118,182,875</u>	<u>\$ 121,315,532</u>	<u>\$ 124,214,445</u>	<u>\$ 127,216,245</u>

Average annual change compared
to prior year

24.5% 0.2% 2.7% 2.4% 2.4%



Purchased Power in Power Cost Adjustment

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
FMPA - Current Charges						
Customer Charge-Per Delivery Pt.	\$ 16,140	\$ 16,140	\$ 16,140	\$ 16,140	\$16,140	\$16,140
Demand Charge - Capacity	21,003,218	23,436,789	23,921,367	24,639,008	25,375,786	25,717,383
Energy Charge	44,483,282	61,687,928	62,296,728	64,141,818	65,875,437	67,490,578
Load Retention Credit	(227,536)	(240,343)	(240,311)	(244,979)	(249,109)	(252,690)
Total Purchased Power Costs	65,275,105	84,900,514	85,993,923	88,551,987	91,018,253	92,971,411
FKEC Credits						
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)
Emissions Credits						
SO2 Credits	-	-	-	-	-	-
Total Power Costs in PCA	\$ 64,843,105	\$ 84,468,514	\$ 85,561,923	\$ 88,119,987	\$ 90,586,253	\$ 92,539,411

Average annual change
compared to prior year

30.3%

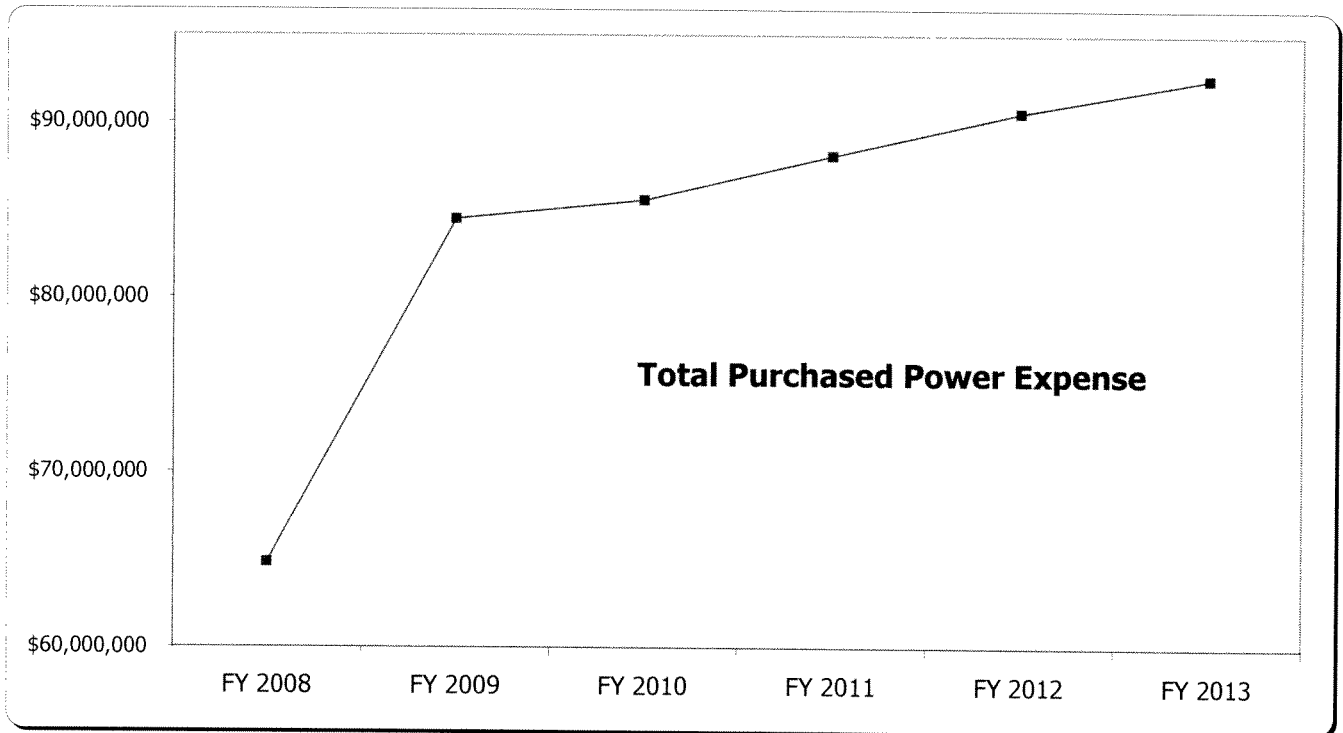
1.3%

3.0%

2.8%

2.2%

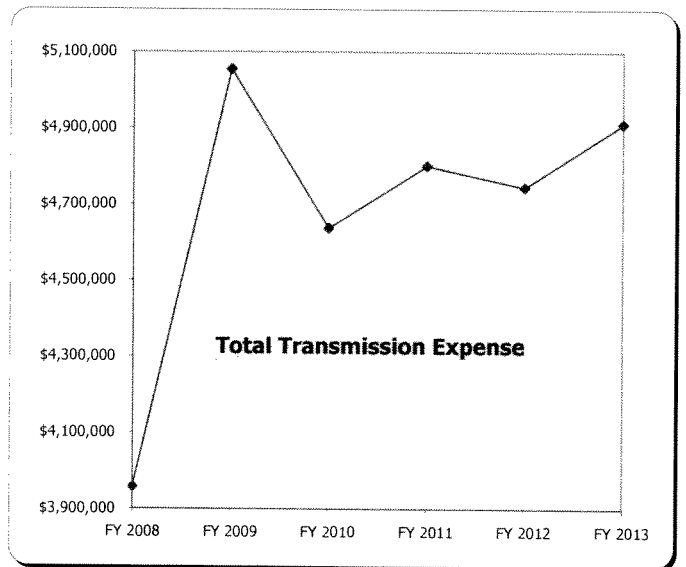
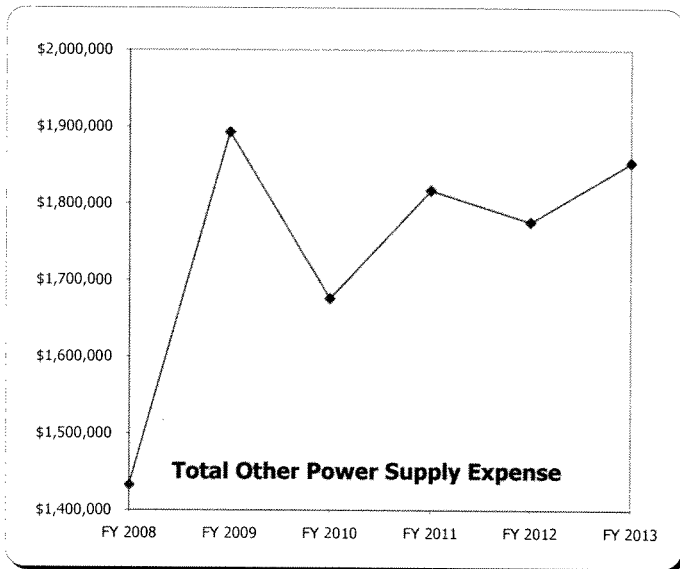
Purchased Power in Power Cost Adjustment (PCA) includes the cost of electricity purchased from Florida Municipal Power Authority (FMPA) for resale at the Marathon point of delivery.



Other Power Supply and Transmission Expense

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Other Power Supply						
Supervision and Engineering	\$ 112,749	\$145,036	\$150,837	\$156,871	\$163,145	\$168,040
Fuel Costs	-	-	-	-	-	-
Other Supplies and Expenses	-	-	-	-	-	-
Operation Supplies and Expenses	55,700	75,000	76,500	78,030	79,591	81,182
Total Diesel Operation Expense	168,449	220,036	227,337	234,901	242,736	249,222
Maintenance Supervision and Engineering	1,125,890	1,188,536	1,200,528	1,244,114	1,289,354	1,325,727
Maintenance of Plant	138,063	483,837	247,504	337,804	243,240	278,401
Total Diesel Maintenance Expense (1)	1,263,953	1,672,373	1,448,033	1,581,918	1,532,594	1,604,128
Total Other Power Supply Expense	\$ 1,432,402	\$ 1,892,409	\$1,675,370	\$1,816,818	\$1,775,330	\$1,853,351
Transmission						
FMPA - Transmission	\$ 2,342,366	\$2,687,418	\$2,835,712	\$2,863,513	\$2,891,314	\$2,930,235
FMPA - True-ups Transmission	-	-	-	-	-	-
FKEC - Transmission	700,000	750,000	750,000	750,000	800,000	800,000
Total Transmission	3,042,366	3,437,418	3,585,712	3,613,513	3,691,314	3,730,235
Supervision and Engineering	\$ 461,047	586,908	539,783	561,374	583,829	601,344
Supplies and Expenses	-	-	-	-	-	-
Operation of Synchronous Condenser	250,127	\$ 263,844	\$ 328,921	\$ 339,116	\$ 279,431	\$ 285,544
Total Transmission Operation Expense	711,174	850,753	868,704	900,489	863,259	886,888
Maintenance of Synchronous Condenser	19,715	20,109	20,511	20,921	21,340	21,766
Maintenance of Transmission Plant	183,865	745,400	162,078	265,320	168,626	271,998
Total Transmission Maintenance Expense	203,580	765,509	182,589	286,241	189,966	293,765
Total Transmission Expense	\$ 3,957,120	\$5,053,680	\$4,637,004	\$4,800,243	\$4,744,539	\$4,910,888

Average annual change compared to prior year 4.20% -1.20% 1.90% 1.40% 1.40%



Distribution Expense

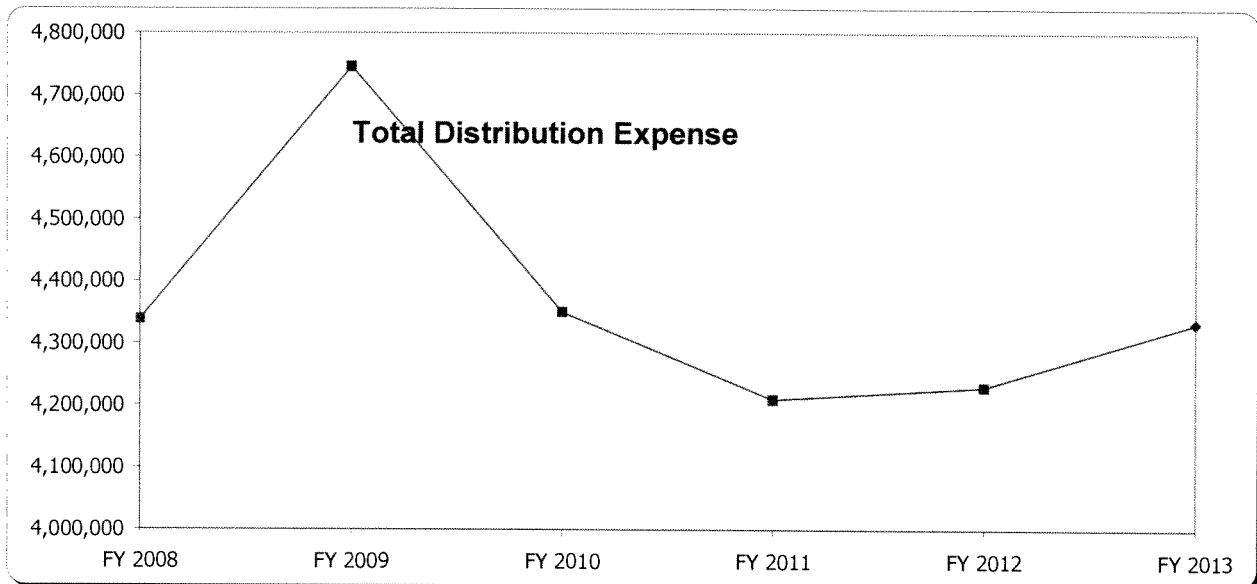
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Distribution Expenses (Operation):						
Operation Supervision and Engr	\$ 789,756	\$ 837,236	\$ 828,286	\$ 781,418	\$ 812,675	\$837,055
Line and Station	189,091	144,667	148,713	152,889	157,201	160,954
Street Lighting and Signal System	152,164	151,017	153,417	155,866	158,363	160,910
Meter	123,449	122,771	128,069	133,059	138,246	142,306
Miscellaneous Distribution	334,985	173,955	180,892	188,106	195,608	201,465
Total Distribution Operations Expense	1,589,445	1,429,646	1,439,378	1,411,337	1,462,093	1,502,689
Distribution Expenses (Maintenance):						
Maint. Of Structures and Equipment	589,751	526,971	543,519	560,548	578,076	593,448
Maintenance of Lines	1,796,622	2,452,610	2,024,603	1,885,512	1,829,791	1,868,459
Maintenance of Line Transformers	129,382	148,042	149,903	153,814	155,978	160,003
Maintenance of St. Lights/Signals	7,797	8,148	8,474	8,813	9,165	9,440
Maintenance of Meters	61,301	62,593	63,899	65,234	66,598	67,961
Maintenance of Misc Distribution Equip	163,644	117,221	120,573	124,035	127,614	130,659
Total Distribution Maintenance Expense	2,748,498	3,315,585	2,910,970	2,797,957	2,767,222	2,829,971
Total Distribution Expense	\$ 4,337,943	\$ 4,745,231	\$ 4,350,348	\$ 4,209,294	\$ 4,229,314	\$ 4,332,661

Average annual change compared to prior year

9.4% -8.3% -3.2% 0.5% 2.4%

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

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Customer Accounts Expenses:						
Customer Deposit Interest Expense	\$ 176,595	\$ 115,186	\$ 115,186	\$ 125,658	\$ 125,658	\$125,658
Meter Reading	336,765	345,693	299,469	311,395	263,797	271,684
Customer Records and Collection	847,933	908,155	944,005	981,234	1,019,546	1,049,733
Uncollectible Accounts	121,500	141,500	144,300	147,156	150,069	153,041
Total Customer Accounts Expense	1,482,793	1,510,534	1,502,960	1,565,443	1,559,070	1,600,115
Customer Service & Informational Exp	45,445	51,705	22,695	51,725	22,716	51,746
Total Customer Expense	<u>\$ 1,528,238</u>	<u>\$ 1,562,239</u>	<u>\$ 1,525,655</u>	<u>\$1,617,169</u>	<u>\$1,581,786</u>	<u>\$ 1,651,861</u>

Average annual change compared to
prior year

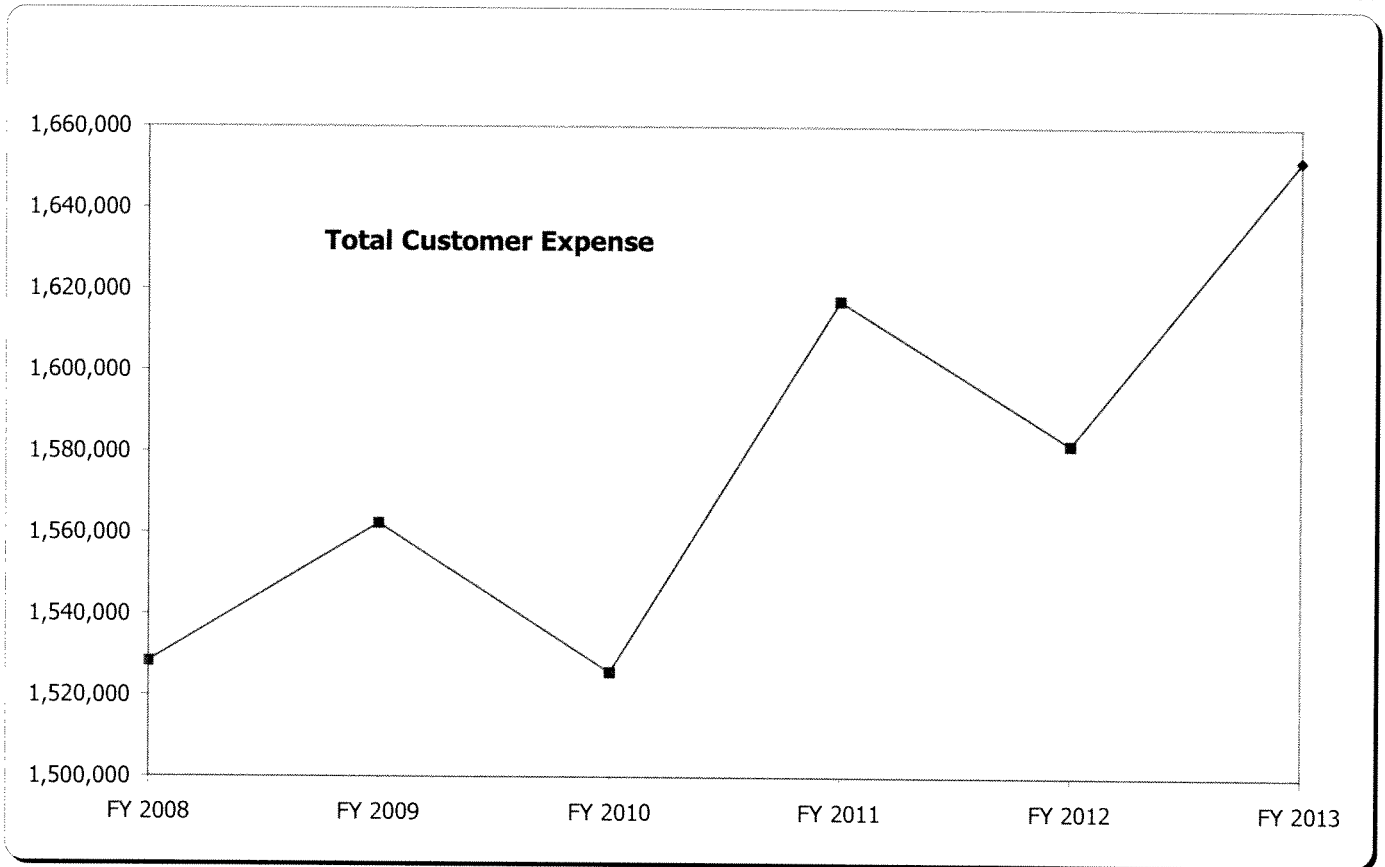
2.2%

-2.3%

6.0%

-2.2%

4.4%



Administrative & General Expense and Taxes

	Amended FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Admin & Genl Expense - (Operation)						
Administrative and General Salaries	\$ 2,455,925	\$ 2,545,369	\$ 2,645,109	\$ 2,592,174	\$ 2,695,692	\$ 2,770,042
Office Supplies and Expenses	906,545	975,589	897,723	794,732	810,625	826,847
Outside Services Employed	1,939,689	2,396,784	2,224,594	2,333,345	2,364,589	2,340,694
Property Insurance	905,921	949,256	994,696	1,042,343	1,092,305	1,146,920
Injuries and Damages	713,524	741,443	758,469	786,179	804,595	846,263
Employee Benefits	4,719,505	4,865,783	4,999,283	5,115,245	5,309,153	5,484,048
Pension Contribution	2,747,133	2,765,820	2,753,043	2,703,868	2,710,636	2,791,439
General Advertising	244,257	225,835	229,857	233,959	238,143	242,411
Miscellaneous	14,100	14,352	14,609	14,871	15,139	15,411
Rents	40,838	41,655	42,488	43,338	44,204	45,088
Transportation	530,102	700,344	841,556	859,613	881,379	900,722
Total Admin & Genl Operations Expense	15,217,539	16,222,230	16,401,428	16,519,668	16,966,460	17,409,885
Admin & Genl Exp (Maintenance)	404,770	335,240	347,071	359,840	372,563	382,932
Total Admin & Genl Exp	15,622,309	16,557,469	16,748,499	16,879,508	17,339,023	17,792,818
Gross Receipts Taxes	2,478,185	3,098,166	3,126,615	3,309,988	3,390,406	3,563,009
Employer FICA Taxes	112,490	120,594	125,462	130,525	135,794	140,247
Total Taxes	2,590,675	3,218,761	3,252,076	3,440,513	3,526,199	3,703,256
Total Admin & Genl Expense	\$ 18,212,984	\$ 19,776,230	\$ 20,000,575	\$ 20,320,021	\$ 20,865,223	\$ 21,496,074

Average annual change compared to
prior year

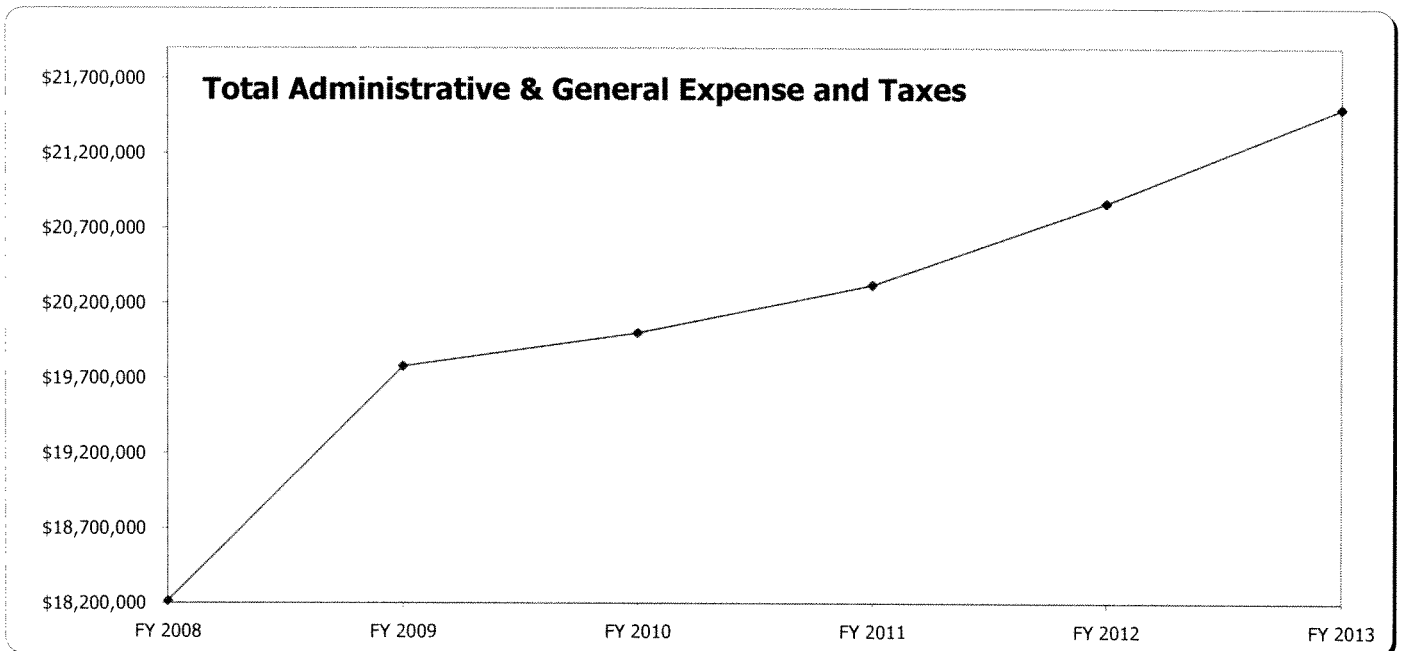
8.6%

1.1%

1.6%

2.7%

3.0%



Payment to the City of Key West, Florida

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Revenues						
Energy and Demand	\$ 85,585,792	\$ 93,693,827	\$ 93,680,665	\$ 99,317,431	\$ 100,988,898	\$ 106,534,000
Power Cost Adjustment (PCA)	8,414,184	24,863,555	25,964,694	27,365,168	28,807,151	29,872,273
Customer Charge	2,221,110	2,275,937	2,297,494	2,412,086	2,435,057	2,556,644
subtotal Electric Revenues	96,221,085	120,833,320	121,942,852	129,094,685	132,231,106	138,962,916
Gross Receipts Tax	2,467,109	3,098,166	3,126,615	3,309,988	3,390,406	3,563,009
subtotal Operating Revenues	98,688,194	123,931,486	125,069,467	132,404,673	135,621,511	142,525,925
Other Operating Revenue	2,869,310	2,685,500	2,703,823	2,722,420	2,741,296	2,794,894
Gross Revenue from Sales of electricity	101,557,504	126,616,986	127,773,289	135,127,093	138,362,808	145,320,819
Sales of Electricity (kWh)	705,361,498	745,061,985	744,965,370	759,435,233	772,238,784	783,339,223
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	56,428,920	59,604,959	59,597,230	60,754,819	61,779,103	62,667,138
Power Cost Adjustment Revenue	8,846,185	25,295,555	26,396,694	27,797,168	29,239,151	30,304,273
Total Power Cost in Operating Revenues	65,275,105	84,900,514	85,993,923	88,551,987	91,018,253	92,971,411
Non-Power Related Revenues from Electricity	36,282,400	41,716,472	41,779,366	46,575,106	47,344,554	52,349,409
Rate - Article III, Section 3.03, B, (11)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Payment to the City of Key West	362,824	417,165	417,794	465,751	473,446	523,494
Minimum Amount	266,915	269,665	272,442	275,248	278,083	280,948
Consumer Price Index	1.03%	1.03%	1.03%	1.03%	1.03%	1.03%
Total Adjusted Minimum Amount	269,665	272,442	275,248	278,083	280,948	283,841
Difference	93,159	144,723	142,545	187,668	192,498	239,653
Payment to the City of Key West	\$ 362,824	\$ 417,165	\$ 417,794	\$ 465,751	\$ 473,446	\$ 523,494
Increase (decrease) verses prior year	2.72%	14.98%	0.15%	11.48%	1.65%	10.57%

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.

In Kind Services to the City of Key West	\$ 371,705	\$ 379,139	\$ 386,722	\$ 394,457	\$ 402,346	\$ 410,393
Total to the City of Key West, FL	\$ 734,529	\$ 796,304	\$ 804,516	\$ 860,208	\$ 875,791	\$ 933,887

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.

**Operations and Maintenance Expense Budget by Function
For the years ended September 30,**

REF. NO	DESCRIPTION	Amended					
		FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Total Other Power Supply							
546	Supervision and Engineering	\$ 112,749	\$ 145,036	\$ 150,837	\$ 156,871	\$ 163,145	\$ 168,040
547	Fuel Costs	-	-	-	-	-	-
549	Other Supplies and Expenses	-	-	-	-	-	-
550.1	Operation Supplies and Expenses	55,700	75,000	76,500	78,030	79,591	81,182
	Total Diesel Operation Expenses	168,449	220,036	227,337	234,901	242,736	249,222
Diesel Power Production Expenses (Maintenance):							
551	Maintenance Supervision and Engineering	1,125,890	1,188,536	1,200,528	1,244,114	1,289,354	1,325,727
554	Maintenance of Plant	138,063	483,837	247,504	337,804	243,240	278,401
	Total Diesel Maintenance Expenses	1,263,953	1,672,373	1,448,033	1,581,918	1,532,594	1,604,128
Total Other Power Supply		\$ 1,432,402	\$ 1,892,409	\$ 1,675,370	\$ 1,816,818	\$ 1,775,330	\$ 1,853,351
Increase (decrease) from prior year		8.9%	32.1%	-11.5%	8.4%	-2.3%	4.4%
Transmission							
560.5	FMPA - Transmission (PP)	\$ 2,342,366	\$ 2,687,418	\$ 2,835,712	\$ 2,863,513	\$ 2,891,314	\$ 2,930,235
560.6	FMPA - True-ups Transmission (PP)	-	-	-	-	-	-
574.5	FKEC - Transmission	700,000	750,000	750,000	750,000	800,000	800,000
	Total PP Transmission	3,042,366	3,437,418	3,585,712	3,613,513	3,691,314	3,730,235
Transmission Expenses (Operation):							
560	Supervision and Engineering	461,047	586,908	539,783	561,374	583,829	601,344
567	Supplies and Expenses	-	-	-	-	-	-
568	Operation of Synchronous Condenser	250,127	263,844	328,921	339,116	279,431	285,544
	Total Transmission Operation Expenses	711,174	850,753	868,704	900,489	863,259	886,888
Transmission Expenses (Maintenance):							
573	Maintenance of Synchronous Condenser	19,715	20,109	20,511	20,921	21,340	21,766
574.1	Maintenance of Transmission Plant	183,865	745,400	162,078	265,320	168,626	271,998
	Total Transmission Maintenance Expenses	203,580	765,509	182,589	286,241	189,966	293,765
Total Transmission Expenses		\$ 3,957,120	\$ 5,053,680	\$ 4,637,004	\$ 4,800,243	\$ 4,744,539	\$ 4,910,888
Increase (decrease) from prior year		-3.4%	27.7%	-8.2%	3.5%	-1.2%	3.5%
Distribution							
Distribution Expenses (Operation):							
580	Operation Supervision and Engineering	\$ 789,756	\$ 837,236	\$ 828,286	\$ 781,418	\$ 812,675	\$ 837,055
581	Lines and Station	189,091	144,667	148,713	152,889	157,201	160,954
582 & 585	Street Lighting and Signal Lighting	152,164	151,017	153,417	155,866	158,363	160,910
586	Meter Reading	123,449	122,771	128,069	133,059	138,246	142,306
588	Miscellaneous Distribution	334,985	173,955	180,892	188,106	195,608	201,465
	Total Distribution Operation expenses	1,589,445	1,429,646	1,439,378	1,411,337	1,462,093	1,502,689
Distribution Expenses (Maintenance):							
592.1	Structures and equipment	589,751	526,971	543,519	560,548	578,076	593,448
594	Lines	1,796,622	2,452,610	2,024,603	1,885,512	1,829,791	1,868,459
595	Line Transformers	129,382	148,042	149,903	153,814	155,978	160,003
596	Street Lighting and Signals	7,797	8,148	8,474	8,813	9,165	9,440
597	Meters	61,301	62,593	63,899	65,234	66,598	67,961
598	Miscellaneous Distribution	163,644	117,221	120,573	124,035	127,614	130,659
	Total Distribution Maintenance Expenses	2,748,498	3,315,585	2,910,970	2,797,957	2,767,222	2,829,971
Total Distribution Expense		\$ 4,337,943	\$ 4,745,231	\$ 4,350,348	\$ 4,209,294	\$ 4,229,314	\$ 4,332,661
Increase (decrease) from prior year		9.2%	9.4%	-8.3%	-3.2%	0.5%	2.4%

**Operations and Maintenance Expense Budget by Function
For the years ended September 30,**

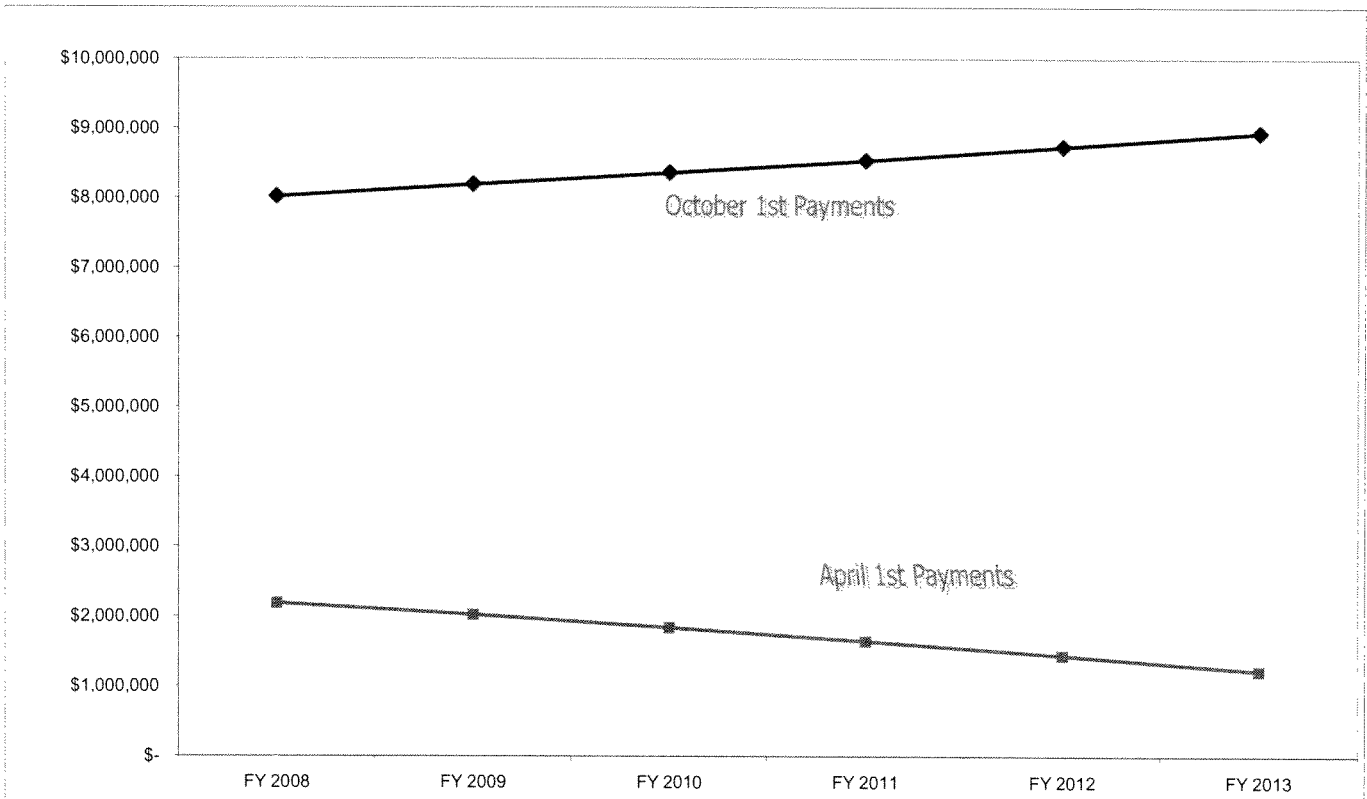
REF. NO	DESCRIPTION	Amended					
		FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
	Customer Accounts Expenses:						
731.3	Customer Deposit Interest Expense	\$ 176,595	\$ 115,186	\$ 115,186	\$ 125,658	\$ 125,658	\$ 125,658
902	Meter Reading	336,765	345,693	299,469	311,395	263,797	271,684
903	Customer Records And Collection	847,933	908,155	944,005	981,234	1,019,546	1,049,733
904	Uncollectible Accounts	121,500	141,500	144,300	147,156	150,069	153,041
	Total Customer Expense:	1,482,793	1,510,534	1,502,960	1,565,443	1,559,070	1,600,115
906	Customer Service And Information Expense	45,445	51,705	22,695	51,725	22,716	51,746
	Total Customer Expense	\$ 1,528,238	\$ 1,562,239	\$ 1,525,655	\$ 1,617,169	\$ 1,581,786	\$ 1,651,861
	Increase (decrease) from prior year	4.7%	2.2%	-2.3%	6.0%	-2.2%	4.4%
	Administration And General Expenses						
920	Administrative And General Salaries	\$ 2,455,925	\$ 2,545,369	\$ 2,645,109	\$ 2,592,174	\$ 2,695,692	\$ 2,770,042
921	Office Supplies And Expenses	906,545	975,589	897,723	794,732	810,625	826,847
923	Outside Services Employed	1,939,689	2,396,784	2,224,594	2,333,345	2,364,589	2,340,694
924	Property Insurance	905,921	949,256	994,696	1,042,343	1,092,305	1,146,920
925	Injuries And Damages	713,524	741,443	758,469	786,179	804,595	846,263
926	Employee Benefits	4,719,505	4,865,783	4,999,283	5,115,245	5,309,153	5,484,048
926.2	Employee Pension Contributions	2,747,133	2,765,820	2,753,043	2,703,868	2,710,636	2,791,439
930	General Advertising	244,257	225,835	229,857	233,959	238,143	242,411
930.2	Miscellaneous General	14,100	14,352	14,609	14,871	15,139	15,411
931	Rents	40,838	41,655	42,488	43,338	44,204	45,088
933	Transportation	530,102	700,344	841,556	859,613	881,379	900,722
	Total Administration And General Operation	15,217,539	16,222,230	16,401,428	16,519,668	16,966,460	17,409,885
935	Administration And General Expenses (Maintenance)	404,770	335,240	347,071	359,840	372,563	382,932
	Additional Gross Receipts Taxes	2,478,185	3,098,166	3,126,615	3,309,988	3,390,406	3,563,009
708	Employer Face/Unemployment	112,490	120,594	125,462	130,525	135,794	140,247
	Total A&G Expenses	\$18,212,984	\$ 19,776,230	\$20,000,575	\$ 20,320,021	\$ 20,865,223	\$21,496,074
	Increase (decrease) from prior year	5.8%	8.6%	1.1%	1.6%	2.7%	3.0%

Summary of All Fund Activity

	Amended FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Bond Sinking Fund						
Beginning Balance	\$ 5	\$ 5	\$ 908	\$ 908	\$ 908	\$ 908
Receipts and transfers In	10,572,464	10,351,985	10,339,718	10,333,461	10,332,364	10,314,208
Disbursements and Transfers Out	(10,572,464)	(10,351,081)	(10,339,718)	(10,333,461)	(10,332,364)	(10,314,208)
Ending Balance	\$ 5	\$ 908	\$ 908	\$ 908	\$ 908	\$ 908
Capital Improvement Fund						
Beginning Balance	\$ 321,456	\$ 321,456	\$ 261,456	\$ 201,456	\$ 141,456	\$ 81,456
Receipts and transfers In	7,320	8,840	7,190	6,044	4,244	2,444
Disbursements and Transfers Out	(7,320)	(8,840)	(7,190)	(6,044)	(4,244)	(2,444)
Ending Balance	\$ 321,456	\$ 261,456	\$ 201,456	\$ 141,456	\$ 81,456	\$ 21,456
Customer Deposits Fund						
Beginning Balance	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596
Receipts and transfers In	197,191	115,186	115,186	125,658	125,658	125,658
Disbursements and Transfers Out	(197,191)	(115,186)	(115,186)	(125,658)	(125,658)	(125,658)
Ending Balance	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596
Emergency Reserve Fund						
Beginning Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Receipts and transfers In	195,144	55,000	55,000	60,000	60,000	60,000
Disbursements and Transfers Out	(195,144)	(55,000)	(55,000)	(60,000)	(60,000)	(60,000)
Ending Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Rate Stabilization Fund						
Beginning Balance	\$ 4,602,882	\$ 4,602,882	\$ 902,882	\$ 1,102,882	\$ 1,402,882	\$ 1,402,882
Receipts and transfers In	-	126,579	224,829	333,086	42,086	1,917,086
Disbursements and Transfers Out	-	(3,826,579)	(24,829)	(33,086)	(42,086)	(42,086)
Ending Balance	\$ 4,602,882	\$ 902,882	\$ 1,102,882	\$ 1,402,882	\$ 1,402,882	\$ 3,277,882
Renewal and Replacement Fund						
Beginning Balance	\$ 140,242	\$ 4,451	\$ 8,879	\$ 10,618	\$ 10,497	\$ 17,726
Receipts and transfers In	12,698,812	17,675,171	12,835,124	6,647,350	7,368,000	9,372,625
Disbursements and Transfers Out	(12,834,603)	(17,670,743)	(12,833,386)	(6,647,472)	(7,360,771)	(9,372,085)
Ending Balance	\$ 4,451	\$ 8,879	\$ 10,618	\$ 10,497	\$ 17,726	\$ 18,265
Revenue Fund						
Beginning Balance	\$ 2,752,582	\$ 358,078	\$ 28,172	\$ 107,683	\$ 100,500	\$ 85,165
Receipts and transfers In	106,961,261	133,355,562	131,298,679	138,845,100	142,142,556	149,194,749
Disbursements and Transfers Out	(109,355,765)	(133,685,468)	(131,219,169)	(138,852,283)	(142,157,891)	(149,175,739)
Ending Balance	\$ 358,078	\$ 28,172	\$ 107,683	\$ 100,500	\$ 85,165	\$ 104,175
Operating Reserve Fund						
Beginning Balance	\$ 5,700,214	\$ 6,500,214	\$ 7,590,214	\$ 7,770,214	\$ 7,870,214	\$ 7,960,214
Receipts and transfers In	1,087,011	1,268,756	388,731	333,106	326,106	463,806
Disbursements and Transfers Out	(287,011)	(178,756)	(208,731)	(233,106)	(236,106)	(238,806)
Ending Balance	\$ 6,500,214	\$ 7,590,214	\$ 7,770,214	\$ 7,870,214	\$ 7,960,214	\$ 8,185,214
Construction Fund						
Beginning Balance	\$ 27,498,908	\$ 21,071,045	\$ 10,271,045	\$ -	\$ -	\$ -
Receipts and transfers In	\$ 1,082,143	\$ 707,327	\$ 192,729	\$ -	\$ -	\$ -
Disbursements and Transfers Out	\$ (7,510,006)	\$ (11,507,327)	\$ (10,463,774)	\$ -	\$ -	\$ -
Ending Balance	\$ 21,071,045	\$ 10,271,045	\$ -	\$ -	\$ -	\$ -
Capitalized Interest Fund						
Beginning Balance	\$ 3,584,997	\$ 1,789,992	\$ 0	\$ -	\$ -	\$ -
Receipts and transfers In	\$ 193,583	\$ 198,596	\$ -	\$ -	\$ -	\$ -
Disbursements and Transfers Out	\$ (1,988,588)	\$ (1,988,588)	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ 1,789,992	\$ 0	\$ 0	\$ -	\$ -	\$ -
Debt Service Reserve Fund						
Beginning Balance	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733
Receipts and transfers In	\$ 185,355	\$ 122,182	\$ 122,182	\$ 142,546	\$ 142,546	\$ 142,546
Disbursements and Transfers Out	\$ (185,355)	\$ (122,182)	\$ (122,182)	\$ (142,546)	\$ (142,546)	\$ (142,546)
Ending Balance	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733
Total - All Funds						
Beginning Balance	\$ 54,862,615	\$ 44,909,452	\$ 29,324,887	\$ 19,455,091	\$ 19,787,786	\$ 19,809,681
Receipts and transfers In	133,180,284	163,985,185	155,579,369	156,826,351	160,401,014	171,450,576
Disbursements and Transfers Out	(143,133,447)	(179,569,751)	(165,449,165)	(156,493,656)	(160,379,120)	(169,391,027)
Ending Balance	\$ 44,909,452	\$ 29,324,887	\$ 19,455,091	\$ 19,787,786	\$ 19,809,681	\$ 21,869,230

Bond Sinking Fund

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restricted Fund						
Beginning Balance	\$ 5	\$ 5	\$ 908	\$ 908	\$ 908	\$ 908
<u>Deposits:</u>						
Interest Income	196,976	140,397	140,243	152,711	152,695	152,427
<u>Transfers from:</u>						
Capitalized Interest Fund	1,988,588	1,988,588	-			
Revenue Fund	<u>8,386,900</u>	<u>8,223,000</u>	<u>10,199,475</u>	<u>10,180,750</u>	<u>10,179,669</u>	<u>10,161,781</u>
Total Funds Available	10,572,469	10,351,990	10,340,626	10,334,370	10,333,272	10,315,116
<u>Disbursements:</u>						
Principal & Interest due Oct 1	8,017,467	8,190,244	8,360,441	8,534,034	8,736,716	8,937,953
Principal & Interest due Apr 1	<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>	<u>1,223,828</u>
subtotal Bond Principal & Interest	10,202,710	10,210,684	10,199,475	10,180,750	10,179,669	10,161,781
<u>Transfers to:</u>						
Revenue Fund	<u>369,754</u>	<u>140,397</u>	<u>140,243</u>	<u>152,711</u>	<u>152,695</u>	<u>152,427</u>
subtotal Disbursements & Transfers	<u>10,572,464</u>	<u>10,351,081</u>	<u>10,339,718</u>	<u>10,333,461</u>	<u>10,332,364</u>	<u>10,314,208</u>
Ending Balance	\$ 5	\$ 908	\$ 908	\$ 908	\$ 908	\$ 908



**Capital Improvement Fund
Contribution in Aid of Construction (CIAC)**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restricted Fund						
Beginning Balance	\$ 321,456	\$ 321,456	\$ 261,456	\$ 201,456	\$ 141,456	\$ 81,456
<u>Deposits:</u>						
Customer Deposits	-	-	-	-	-	-
Interest Income	7,320	8,840	7,190	6,044	4,244	2,444
<u>Transfers from:</u>						
Total Funds Available	328,776	330,296	268,646	207,500	145,700	83,900
<u>Disbursements:</u>						
Refunds to Customers	-	-	-	-	-	-
<u>Transfers to:</u>						
Renewal & Replacement Fund	-	60,000	60,000	60,000	60,000	60,000
Revenue Fund	7,320	8,840	7,190	6,044	4,244	2,444
subtotal	<u>7,320</u>	<u>68,840</u>	<u>67,190</u>	<u>66,044</u>	<u>64,244</u>	<u>62,444</u>
Ending Balance	<u>\$ 321,456</u>	<u>\$ 261,456</u>	<u>\$ 201,456</u>	<u>\$ 141,456</u>	<u>\$ 81,456</u>	<u>\$ 21,456</u>

Average annual change compared to prior year	-18.7%	-22.9%	-29.8%	-42.4%	-73.7%
---	--------	--------	--------	--------	--------

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

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restricted Fund:						
Beginning Balance	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596	\$ 4,188,596
<u>Deposits:</u>						
Customer Deposits	-	-	-	-	-	-
Interest Income	<u>197,191</u>	<u>115,186</u>	<u>115,186</u>	<u>125,658</u>	<u>125,658</u>	<u>125,658</u>
<u>Transfers from:</u>						
Total Funds Available	4,385,787	4,303,782	4,303,782	4,314,254	4,314,254	4,314,254
<u>Disbursements:</u>						
Refunds to Customers	-	-	-	-	-	-
<u>Transfers to:</u>						
Revenue Fund	<u>197,191</u>	<u>115,186</u>	<u>115,186</u>	<u>125,658</u>	<u>125,658</u>	<u>125,658</u>
subtotal	<u>197,191</u>	<u>115,186</u>	<u>115,186</u>	<u>125,658</u>	<u>125,658</u>	<u>125,658</u>
Ending Balance	<u>\$ 4,188,596</u>	<u>\$ 4,188,596</u>	<u>\$ 4,188,596</u>	<u>\$ 4,188,596</u>	<u>\$ 4,188,596</u>	<u>\$ 4,188,596</u>

Average annual change
compared to prior year

0.0% 0.0% 0.0% 0.0% 0.0%

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

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restricted Fund:						
Beginning Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Deposits:						
Interest Income	195,144	55,000	55,000	60,000	60,000	60,000
Transfers from: Revenue Fund	-	-	-	-	-	-
Total Funds Available	2,195,144	2,055,000	2,055,000	2,060,000	2,060,000	2,060,000
Disbursements:						
Transfers to: Revenue Fund - Interest Income	195,144	55,000	55,000	60,000	60,000	60,000
subtotal	195,144	55,000	55,000	60,000	60,000	60,000
Ending Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000

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

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restricted Fund:						
Beginning Balance	\$ 4,602,882	\$ 4,602,882	\$ 902,882	\$ 1,102,882	\$ 1,402,882	\$ 1,402,882
<u>Deposits:</u>						
Interest Income	-	126,579	24,829	33,086	42,086	42,086
<u>Transfers from:</u>						
Return Borrowing for PCA	-	-	-	-	-	-
Revenue Fund	-	-	200,000	300,000	-	1,875,000
Total Funds Available	4,602,882	4,729,461	1,127,711	1,435,968	1,444,968	3,319,968
<u>Transfers to:</u>						
Revenue Fund - Interest Income	-	126,579	24,829	33,086	42,086	42,086
Revenue Fund	-	3,700,000	-	-	-	-
Withdrawal for PCA Credit	-	-	-	-	-	-
Total Transfers	-	3,826,579	24,829	33,086	42,086	42,086
Ending Balance	<u>\$ 4,602,882</u>	<u>\$ 902,882</u>	<u>\$ 1,102,882</u>	<u>\$ 1,402,882</u>	<u>\$ 1,402,882</u>	<u>\$ 3,277,882</u>

Average annual change compared to prior year

	-80.4%	22.2%	27.2%	0.0%	133.7%
--	--------	-------	-------	------	--------

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.

Renewal & Replacement Fund

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restricted Fund:						
Beginning Balance	\$ 140,242	\$ 4,451	\$ 8,879	\$ 10,618	\$ 10,497	\$ 17,726
Revenue Fund	5,062,250	6,025,000	2,280,000	6,490,000	7,200,000	9,175,000
Construction Fund - Draw Downs	7,510,006	11,507,327	10,463,774	-	-	-
Sub-total from the Revenue Fund	12,572,256	17,532,327	12,743,774	6,490,000	7,200,000	9,175,000
Interest Income	126,556	82,844	31,350	97,350	108,000	137,625
CIAC Fund	-	60,000	60,000	60,000	60,000	60,000
subtotal	12,698,812	17,675,171	12,835,124	6,647,350	7,368,000	9,372,625
Total Funds Available	12,839,054	17,679,622	12,844,004	6,657,968	7,378,497	9,390,351
<u>Disbursements and Transfers:</u>						
Capital Projects-current year	12,708,047	15,517,344	12,802,036	6,550,122	7,252,771	9,234,460
Carryover to/from future years		2,070,555				
Revenue Fund - Interest Income	126,556	82,844	31,350	97,350	108,000	137,625
Sub-total Disbursements & Transfers	12,834,603	17,670,743	12,833,386	6,647,472	7,360,771	9,372,085
Ending Balance	\$ 4,451	\$ 8,879	\$ 10,618	\$ 10,497	\$ 17,726	\$ 18,265
Average annual change compared to prior year		99.5%	19.6%	-1.1%	68.9%	3.0%

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.

Revenue Fund

	Amended					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Current Fund:						
Number of Customers	29,976	29,426	29,672	29,921	30,173	30,428
Sales of Electricity - kWh	705,361,498	745,061,985	744,965,370	759,435,233	772,238,784	783,339,223
Increase compared to prior year projected	-5.00%	5.63%	-0.01%	1.94%	1.69%	1.44%
Basic Rate (Demand & Energy)	\$ 85,585,792	\$ 93,693,827	\$ 93,680,665	\$ 99,317,431	\$ 100,988,898	\$ 106,534,000
Power Cost Adjustment (PCA)	8,414,184	24,863,555	25,964,694	27,365,168	28,807,151	29,872,273
Customer Charge	2,221,110	2,275,937	2,297,494	2,412,086	2,435,057	2,556,644
subtotal Electric Revenues	96,221,085	120,833,320	121,942,852	129,094,685	132,231,106	138,962,916
Gross Receipts Tax (GRT)	2,467,109	3,098,166	3,126,615	3,309,988	3,390,406	3,563,009
subtotal Operating Revenues	98,688,194	123,931,486	125,069,467	132,404,673	135,621,511	142,525,925
Other Operating Revenue	2,869,310	2,685,500	2,703,823	2,722,420	2,741,296	2,794,894
Non-Operating Revenue (Interest Income)	1,945,553	1,479,784	1,354,711	1,500,501	1,521,333	1,551,592
Non-Operating Revenue (Other)	3,458,204	1,558,792	2,170,679	2,217,506	2,258,413	2,322,338
Transfer from Rate Stabilization Fund	-	3,700,000	-	-	-	-
Total Revenues	106,961,261	133,355,562	131,298,679	138,845,100	142,142,556	149,194,749
Operation & Maintenance Exp.						
Total Purchase Power Costs	65,275,105	84,900,514	85,993,923	88,551,987	91,018,253	92,971,411
Total Other Power Supply	1,432,402	1,892,409	1,675,370	1,816,818	1,775,330	1,853,351
Total Transmission	3,957,120	5,053,680	4,637,004	4,800,243	4,744,539	4,910,888
Total Distribution Expense	4,337,943	4,745,231	4,350,348	4,209,294	4,229,314	4,332,661
Total Customer Expense	1,528,238	1,562,239	1,525,655	1,617,169	1,581,786	1,651,861
Total Admin & General Expense	18,212,984	19,776,230	20,000,575	20,320,021	20,865,223	21,496,074
subtotal Expenses	94,743,791	117,930,303	118,182,875	121,315,532	124,214,445	127,216,245
Transfers						
To Bond Sinking Fund	\$ 8,386,900	\$ 8,223,000	\$ 9,958,500	\$ 10,181,000	\$ 10,180,000	\$ 10,161,000
To Renewal & Replacement Fund	5,062,250	6,025,000	2,280,000	6,490,000	7,200,000	9,175,000
To (from) Rate Stabilization Fund	-	-	200,000	300,000	-	1,875,000
To (from) Emergency Reserve Fund	-	-	-	-	-	-
To (from) FMPA Pooled Loan (Debt Svc)	-	-	-	-	-	-
To (From) Operating Reserve Fund, net	800,000	1,090,000	180,000	100,000	90,000	225,000
Payment to City of Key West, FL	362,824	417,165	417,794	465,751	473,446	523,494
subtotal Transfers	14,611,974	15,755,165	13,036,294	17,536,751	17,943,446	21,959,494
Total O&M Expenses and Transfers	109,355,765	133,685,468	131,219,169	138,852,283	142,157,891	149,175,739
Average annual change compared to prior year		22.2%	-1.8%	5.8%	2.4%	4.9%
Beginning Balance	2,752,582	358,078	28,172	107,683	100,500	85,165
Increase / (Decrease) During Year	(2,394,504)	(329,906)	79,511	(7,183)	(15,335)	19,010
Sub-total Ending Balance	\$ 358,078	\$ 28,172	\$ 107,683	\$ 100,500	\$ 85,165	\$ 104,175

Percent to Total Budget

Purchased Power Costs	59.7%	63.5%	65.5%	63.8%	64.0%	62.3%
Other Power Supply Expenses	1.3%	1.4%	1.3%	1.3%	1.2%	1.2%
Transmission Expense	3.6%	3.8%	3.5%	3.5%	3.3%	3.3%
Distribution Expense	4.0%	3.5%	3.3%	3.0%	3.0%	2.9%
Customer Accounts Expense	1.4%	1.2%	1.2%	1.2%	1.1%	1.1%
Administrative and General Expense	16.7%	14.8%	15.2%	14.6%	14.7%	14.4%
Total Operations & Maintenance Expense	86.6%	88.2%	90.1%	87.4%	87.4%	85.3%
Capital Expenditures	4.6%	4.5%	1.7%	4.7%	5.1%	6.2%
Debt Service	7.7%	6.2%	7.6%	7.3%	7.2%	6.8%
Other Fund Transfers & Payments	1.1%	1.1%	0.6%	0.6%	0.4%	1.8%
Total Budget Allocation	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Operating Reserve Fund

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Current Fund:						
Beginning Balance	\$ 5,700,214	\$ 6,500,214	\$ 7,590,214	\$ 7,770,214	\$ 7,870,214	\$ 7,960,214
Deposits:						
Interest Income	287,011	178,756	208,731	233,106	236,106	238,806
Transfers from:						
Revenue Fund	<u>800,000</u>	<u>1,090,000</u>	<u>180,000</u>	<u>100,000</u>	<u>90,000</u>	<u>225,000</u>
Total Funds Available	6,787,225	7,768,970	7,978,945	8,103,321	8,196,321	8,424,021
Transfers to:						
Revenue Fund	-	-	-	-	-	-
Revenue Fund - Interest Income	<u>287,011</u>	<u>178,756</u>	<u>208,731</u>	<u>233,106</u>	<u>236,106</u>	<u>238,806</u>
Sub-total Disbursements & Transfers	<u>287,011</u>	<u>178,756</u>	<u>208,731</u>	<u>233,106</u>	<u>236,106</u>	<u>238,806</u>
Ending Balance	\$ 6,500,214	\$ 7,590,214	\$ 7,770,214	\$ 7,870,214	\$ 7,960,214	\$ 8,185,214

Average annual change compared to prior year
 16.8% 2.4% 1.3% 1.1% 2.8%

Resolution 532, Article III, Section 3.03, B, (10)

Moneys in the Operating Reserve Fund shall be used to pay Operating Expenses or for other lawful purposes of the System.

Total O&M Expenses & Transfers	\$ 109,355,765	\$ 133,685,468	\$ 131,219,169	\$ 138,852,283	\$ 142,157,891	\$ 149,175,739
Less: Gross Receipts Tax (GRT)	<u>2,467,109</u>	<u>3,098,166</u>	<u>3,126,615</u>	<u>3,309,988</u>	<u>3,390,406</u>	<u>3,563,009</u>
	106,888,656	130,587,302	128,092,554	135,542,295	138,767,485	145,612,730
Less: Total Purchase Power Costs	65,275,105	84,900,514	85,993,923	88,551,987	91,018,253	92,971,411
Less: Transfers & Pymt to City of KW	<u>14,611,974</u>	<u>15,755,165</u>	<u>13,036,294</u>	<u>17,536,751</u>	<u>17,943,446</u>	<u>21,959,494</u>
subtotal	27,001,578	29,931,623	29,062,337	29,453,557	29,805,786	30,681,825
Factor (90 days out of 360)	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
90 days O&M	6,750,394	7,482,906	7,265,584	7,363,389	7,451,447	7,670,456
Reserve for Self Insurance Fund	500,000	500,000	500,000	500,000	500,000	500,000
Reserve for Property Boiler & Machine	<u>1,200,000</u>	<u>1,600,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
Calculated Reserve	8,450,394	9,582,906	9,765,584	9,863,389	9,951,447	10,170,456
Emergency Reserve Fund	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Operating Reserve Fund	<u>6,500,214</u>	<u>7,590,214</u>	<u>7,770,214</u>	<u>7,870,214</u>	<u>7,960,214</u>	<u>8,185,214</u>
Total Amount Available	<u>8,500,214</u>	<u>9,590,214</u>	<u>9,770,214</u>	<u>9,870,214</u>	<u>9,960,214</u>	<u>10,185,214</u>
Amount in excess of requirement	\$ 49,820	\$ 7,309	\$ 4,630	\$ 6,825	\$ 8,768	\$ 14,758

Actual # of Days of O&M Coverage 113 115 121 121 120 120

Construction Fund

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restricted Fund						
Beginning Balance	\$ 27,498,908	\$ 21,071,045	\$ 10,271,045	\$ -	\$ -	\$ -
<u>Deposits:</u>						
Bond Issue, net proceeds	-	-	-	-	-	-
Interest Income	<u>1,082,143</u>	<u>707,327</u>	<u>192,729</u>	-	-	-
<u>Transfers from:</u>						
Total Funds Available	28,581,051	21,778,372	10,463,774	-	-	-
<u>Disbursements:</u>						
Transfer to Renewal & Replacement Fund	<u>7,510,006</u>	<u>11,507,327</u>	<u>10,463,774</u>	-	-	-
subtotal	<u>7,510,006</u>	<u>11,507,327</u>	<u>10,463,774</u>	-	-	-
Ending Balance	<u>\$ 21,071,045</u>	<u>\$ 10,271,045</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capitalized Interest Fund

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restricted Fund						
Beginning Balance	\$ 3,584,997	\$ 1,789,992	\$ 0	\$ 0	\$ 0	\$ 0
<u>Deposits:</u>						
Bond Issue, net proceeds	-	-	-	-	-	-
Interest Income	193,583	198,596				
<u>Transfers from:</u>						
Total Funds Available	3,778,580	1,988,588	0	0	0	0
<u>Disbursements:</u>						
Transfer to Sinking Fund	1,988,588	1,988,588				
<u>Transfers to:</u>						
Renewal & Replacement Func	-	-	-	-	-	-
Revenue Fund	-	-	-	-	-	-
subtotal	<u>1,988,588</u>	<u>1,988,588</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance	<u>\$ 1,789,992</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The Capitalized Interest Fund is reduced each year when the bi-annual interest payment is made to bond holder.

Debt Service Reserve Fund

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restricted Fund						
Beginning Balance	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733	\$ 4,072,733
<u>Deposits:</u>						
Bond Issue, net proceeds	-	-	-	-	-	-
Interest Income	185,355	122,182	122,182	142,546	142,546	142,546
<u>Transfers from:</u>						
Total Funds Available	4,258,088	4,194,915	4,194,915	4,215,279	4,215,279	4,215,279
<u>Disbursements:</u>						
Transfer to Renewal & Replacement Fund	-	-	-	-	-	-
<u>Transfers to:</u>						
Revenue Fund-Interest Pymt	-	-	-	-	-	-
Revenue Fund	185,355	122,182	122,182	142,546	142,546	142,546
subtotal	<u>185,355</u>	<u>122,182</u>	<u>122,182</u>	<u>142,546</u>	<u>142,546</u>	<u>142,546</u>
Ending Balance	<u>\$ 4,072,733</u>	<u>\$ 4,072,733</u>	<u>\$ 4,072,733</u>	<u>\$ 4,072,733</u>	<u>\$ 4,072,733</u>	<u>\$ 4,072,733</u>

Multi Year Capital Improvement Plan

Project Description	Amended FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Transmission Line and Substations Maintenance- FKEC territory	\$ 446,000	\$ 35,000	\$ 56,000	\$ 65,000	\$ 65,000	\$ 65,000
Adjust Tapchangers & Replace Contacts	30,000	-	30,000	-	30,000	-
Reinsulate Line 4 (water portion)	-	-	-	-	-	-
Repair Over the Water Transmission Pole Foundations	100,000	20,000	365,000	365,000	-	500,000
Reinsulate Stock Island Plant Substation	-	-	-	175,000	-	200,000
Replace Transmission Oil Circuit Breakers	68,070	-	-	-	-	-
Replace 69Kv Switches @ US1(9) & Kennedy Drive(9)	178,897	169,000	-	-	-	-
Upgrade Transmission Relay Panels	325,000	350,200	-	-	-	-
SC Transformer	77,258	-	-	-	-	-
Repair Line 4 Over the Water Transmission Pole Tops & Static Wire *	500,000	150,000	-	-	-	-
Replace 138KV & 69KV Lighting Arrestors *	113,550	-	-	-	-	-
Kennedy Dr Distribution Feeder Tie	-	-	-	-	600,000	-
Hydrogen Panel for SC	70,000	-	-	-	-	-
Air Compressor for SC	37,700	-	-	-	-	-
Exciter For SC	-	-	200,000	600,000	-	-
Total - Transmission	1,946,475	724,200	651,000	1,205,000	695,000	1,015,000
Change out Voltage Regulator	-	-	-	50,000	-	-
Construct New Substation - Stock Island	1,274,461	1,026,000	-	-	-	-
Underground Trenching Conversion Program	100,000	-	-	-	-	-
Purchase Transformers	1,341,986	1,600,000	1,600,000	1,500,000	1,500,000	1,500,000
Other - Daily Work Orders, Engineer's Requests	988,014	1,200,000	1,250,000	1,250,000	1,250,000	1,312,500
Improve Distribution(Sectionalizers/Reclosurers/Capacitors)	-	100,000	-	-	100,000	-
Distribution Improvements	2,885,000	4,434,904	4,693,044	1,737,218	600,000	600,000
Install new Feeder / Reconductor - Stock Island Substations	100,000	-	50,000	-	-	-
Construct New Feeders on Distribution System - BPS	100,000	-	-	-	-	150,000
Re-work 4160 for future use	50,000	-	-	-	-	-
Relocate Poles-DOT Right-of-Way (North Roosevelt Rehabilitation)	-	-	-	150,000	-	-
Replace Down Guy	-	100,000	100,000	-	-	-
Stub Pole Removal	-	50,000	-	50,000	-	-
Power Quality Meter	10,000	-	-	-	-	-
Replace Substation Transformers- KDS #1	1,013,930	435,000	-	-	-	-
Replace Substation Transformers- KDS #2	1,013,930	435,000	-	-	-	-
Replace Substation Transformers- US-1	1,028,724	355,487	-	-	-	-
Normal Improvements/upgrades to Substations	40,000	40,000	40,000	40,000	40,000	40,000
Purchase Residential and Commercial Meters	495,000	250,000	770,000	785,400	801,108	817,130
Remote Metering [study, implementation]	-	-	-	25,000	-	-
Substation Feeder Cable Change Out (12 Feeders)	595,139	-	-	-	-	-
Replace Remote Terminal Unit	15,000	15,000	15,000	-	-	15,000
Field Communications / Radio Replacement	-	-	-	200,000	-	-
Replace Cable Trench (US1 & BPS)	45,000	-	-	-	-	-
Arc Flash Substation Fault Delay	60,000	-	-	-	-	-
Switchgear Replacement @ Substations (KW Diesel & US-1)	-	500,000	800,000	-	1,100,000	-
Reinsulate 69Kv Dead End Bells & Bus Circuits (KDS & BCS)	-	100,000	-	100,000	-	-
Total - Distribution	11,156,184	10,641,391	9,318,044	5,887,618	5,391,108	4,784,630

Multi Year Capital Improvement Plan

Project Description	Amended FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Upgrade Emissions Monitoring Equipment	-	20,000	15,000	-	30,000	-
Purchase & Install MSD Turbo Chargers(5)	-	-	515,301	541,066	-	-
Reskin HSDs	-	111,696	-	-	-	-
Oil Boom	-	-	10,000	-	-	-
Overhaul High Speed Diesel at Stock Island [#1, #3 & #2]	-	400,000	425,000	-	-	475,000
Overhaul - Medium Speed Diesel #1	836,551	-	-	-	-	-
Replace Turbo Charger - High Speed Diesels (#3 & #1)	35,000	40,000	-	-	-	80,000
Purchase Fin Fan Coolers (5)	714,269	-	-	-	-	-
Annual Generation Unit Improvements	-	125,000	150,000	175,000	200,000	225,000
Replace Stock Island Peaking Diesel Radiators	120,000	-	-	-	-	-
Replace Door with Stainless Steel and Paint CT #1	115,000	-	-	-	-	-
Replace VR204 Air Meters	18,000	-	-	-	-	-
Replace Fuel Line Stainless Steel for CT's	35,000	-	-	-	-	-
Control Cab (Cat 5 Rating) for HSD w/Breakers & Controls & 2 air compressors	51,668	370,000	-	-	-	-
Repair CT#1	26,050	-	-	-	-	-
Upgrade Marc V Control System	105,131	-	-	-	-	-
Replace Radiators CT#1	38,000	-	-	-	-	-
Fire Pump House	26,000	-	-	-	-	-
Replacing Fuel Lines	-	25,000	100,000	100,000	75,000	-
Fire Protection Upgrades	-	200,000	-	-	-	-
Back Flow Preventer	-	80,000	-	-	-	-
MSD Upgrade to Fuel and Lube Oil Filter System	-	-	90,000	90,000	-	-
Batteries for HSD	-	-	-	30,000	-	-
Batteries for CT#1	-	-	-	-	30,000	-
Cat walk around CT#1 and adjoining CT#2	-	30,000	-	-	-	-
Update NOX Pump on CT#1	-	70,000	-	-	-	-
New Compressor for MSD Building	-	40,000	-	-	-	-
PCL Controls for MSD #1 & #2	-	-	150,000	-	-	-
Painting MSD Stack	-	-	120,000	-	-	-
Painting of Old Steam Plant Stack	-	-	-	100,000	-	-
Chart Recorder 7 channel	-	17,000	-	-	-	-
Replace Carbon Steel Piping & Valves on Fin Fan Coolers w/ Stainless Steel	-	-	-	-	100,000	-
Install DFR High Speed Event Recorder @ SIGF (NERC Compliance)	-	33,000	-	-	-	-
Emergency Repair MSD#1 Cracked Head	45,000	-	-	-	-	-
Total - Generation	2,165,669	1,561,696	1,575,301	1,036,066	435,000	1,680,000
Purchase & Installation of siding for the SIGF	-	25,000	-	-	-	-
Industrial Floor Sweeper (Warehouse)	-	-	15,000	-	-	-
Roof Replacement @ RGSC	-	-	65,000	-	-	-
Elevator Upgrade Service Building & Stock Island	-	-	105,000	-	-	-
Convert Louisa St Substation - Pocket Park	10,000	-	-	-	-	-
Improvements to Facilities	120,239	129,257	74,538	80,128	86,138	93,029
Purchase 15,000 lb Vehicle Lift	-	-	-	-	-	25,000
Upgrade Service Building A/C	-	-	50,000	-	-	50,000
Transformer Containment area for Electrical	5,000	-	-	-	-	-
Electrical Upgrades to RG Building (facilities)	-	40,000	40,000	-	-	-
New Main Water Lines (facilities)	-	10,000	-	-	-	-
Discharge Canal - Fill in - No Asphalt	-	-	-	-	-	-
Upgrade Security to TWIC (O&M funds transferred BA 08-19)	36,000	-	40,000	-	-	-
Total - Facilities	171,239	204,257	389,538	80,128	86,138	243,029

Multi Year Capital Improvement Plan

Project Description	Amended FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Replace Drive Through Car Wash joint ownership with Monroe County	75,000	-	-	-	-	-
Replace (2) Fuel Tanks @ Garage	-	-	-	100,000	-	-
Overhaul Company Vehicles	60,000	60,000	60,000	60,000	60,000	90,000
Replace Vehicle #26 - Utility Body (est. surplus \$ 5,000)	35,000	-	-	-	-	-
Replace Vehicle #81 - 1/2 Ton Pickup(est. surplus \$2,500)	20,000	-	-	-	-	-
Replace Vehicle #43 - 1/2 Ton Pickup (est. surplus \$2,500)	20,000	-	-	-	-	-
Replace Vehicle #40 - 1/2 Ton Pickup (est. surplus \$2,500)	20,000	-	-	-	-	-
Replace Vehicle #20 - 1/2 Ton Pickup (est. surplus \$2,500)	-	-	-	20,000	-	-
Replace Vehicle #95 - 1/2 Ton Pickup (est. surplus \$2,500)	-	-	-	35,000	-	-
Replace Vehicle #19 - 1/2 Ton Pickup (est. surplus \$2,500)	-	-	20,000	-	-	-
Replace Vehicle #28 - 1/2 Ton Pickup (est. surplus \$2,500)	-	-	20,000	-	-	-
Replace Vehicle #17 - 1/2 Ton Pickup (est. surplus \$2,500)	-	-	-	20,000	-	-
Replace Vehicle #68 - 1/2 Ton Pickup (est. surplus \$2,500)	-	-	20,000	-	-	-
Replace Vehicle #71 - 1/2 Ton Pickup (est. surplus \$2,500)	-	-	20,000	-	-	-
Replace Vehicle #96 - 1/2 Ton Pickup (est. surplus \$2,500)	-	-	-	20,000	-	-
Replace Vehicle #18 - Bucket Truck (est. surplus \$15,000)	-	135,000	-	-	-	-
Replace Vehicle #15 - Cargo Trailer (est. surplus \$500)	-	-	-	10,000	-	-
Replace Vehicle #32 - 3 spool Wire Trailer (est. surplus \$500)	-	-	-	20,000	-	-
Replace Vehicle #33 - Dump Trailer (est. surplus \$500)	-	-	-	15,000	-	-
Replace Vehicle #38 - Air Compressor (est. surplus \$2,500)	-	-	-	25,000	-	-
Replace Vehicle #84 - Vermeer Chipper (est. surplus \$7,500)	-	-	45,000	-	-	-
Replace Vehicle #103 - Cargo Trailer (est. surplus \$500)	-	-	-	10,000	-	-
Replace Vehicle #21 - Vermeer Chipper (est. surplus \$5,000)	-	-	-	35,000	-	-
Overhaul Vehicle #9 - Digger (est. surplus \$25,000)	-	-	-	40,000	-	-
Replace Vehicle #34 - Step Van (est. surplus \$1,500)	-	-	-	-	-	55,000
Replace Vehicle #55 - Step Van (est. surplus \$1,500)	-	-	-	-	-	55,000
Replace Vehicle #54 - Utility Body (est. surplus \$5,000)	-	-	-	-	-	40,000
Replace Vehicle #89 - Utility Body (est. surplus \$5,000)	-	-	-	-	-	40,000
Replace Vehicle #117 - Dump Trailer (est. surplus \$500)	-	-	-	-	-	15,000
Replace Vehicle #36 - Flat Bed Trailer (est. surplus \$2,500)	-	-	-	-	-	25,000
Replace Vehicle #66 - Boom Trailer (est. surplus \$2,500)	-	-	-	-	50,000	-
Replace Vehicle #74 - Arrow Board (est. surplus \$500)	-	-	-	-	15,000	-
Replace Vehicle #76 - Arrow Board (est. surplus \$500)	-	-	-	-	15,000	-
Replace Vehicle #77 - Pontoon Boat (est. surplus \$5,00)	-	-	-	-	35,000	-
Replace Vehicle #92 - 1/2 Ton Pickup (est. surplus \$2,500)	-	-	-	-	25,000	-
Replace vehicle #51 - Utility Body	-	-	-	35,000	-	-
Purchase Attachments for Skid Steer Loader	-	-	-	35,000	-	-
Purchase of 38 Ton Capacity Crane for Installing New Concrete Poles	400,000	-	-	-	-	-
Replace Vehicle #118 - Pole Trailer (est. surplus \$2,500)	30,000	-	-	-	-	-
Replace Vehicle #119 - Pole Trailer (est. surplus \$2,500)	30,000	-	-	-	-	-
Replace Vehicle #35 10,000 Forklift	-	-	-	-	50,000	-
Replace Vehicle #116 Narrow Isle Forklift	-	-	-	-	35,000	-
Riding Lawn Mower Vehicle #114	-	-	-	12,000	-	-
Total - Fleets	690,000	195,000	185,000	492,000	285,000	425,000

Multi Year Capital Improvement Plan

Project Description	Amended FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Integrated Voice Response [IVR] & Outage Mgmt Systems	373,000	-	-	30,000	-	-
Replace AVL Tractors	5,250	5,513	5,788	6,078	6,381	6,700
Upgrade PC's & Equipment Electrical Operation & Production	15,750	16,538	17,364	18,232	19,144	20,101
Upgrade PC's	30,000	95,000	40,000	40,000	40,000	95,000
Inventory Barcode System	-	-	5,000	-	5,000	-
Upgrade or Replace the Asset Management System (CPR)	35,000	-	-	-	-	-
Customer Service and Financial System Upgrades	-	-	-	225,000	-	-
New Circuits for Substation RTU's	15,000	-	-	-	-	-
Replace or Upgrade SCADA System	-	-	-	-	100,000	-
Replace all Network Switching Equipment	-	-	150,000	65,000	-	-
Provide Wireless Functionality for Relays	50,000	-	-	-	-	-
Upgrade CEM Software	20,000	-	-	-	-	-
Fiber to Connect Data and Voice Servers (Big Pine & Stock Island)	37,500	-	-	-	-	-
Core Network Equipment to Support Fiber	-	162,500	-	-	-	-
Fiber Substation Equipment	205,000	45,000	-	-	-	-
Replace Servers	75,000	-	-	-	-	225,000
Replace Printers	-	15,000	15,000	15,000	15,000	15,000
Install System Wide Fiber Network (Backbone)	1,289,750	1,801,250	-	-	-	-
Total - Information Technology	2,151,250	2,140,800	233,153	399,310	185,525	361,801
Emergency Contingency	50,000	50,000	50,000	50,000	75,000	75,000
Short & Long Term Land Use Plan -Cudjoe Key & Big Pine \$154,710.93 prior yr budget	577,230	-	-	-	-	-
Total - General Plant	627,230	50,000	50,000	50,000	75,000	75,000
Total All Projects	\$ 18,908,047	\$ 15,517,344	\$ 12,402,036	\$ 9,150,122	\$ 7,152,771	\$ 8,584,460
Proposed Projects To Be Rescheduled, deferred or carried over to another year within the five year financial plan	(6,200,000)	-	400,000	(2,600,000)	100,000	650,000
Total Capital Project Funding Level	\$ 12,708,047	\$ 15,517,344	\$ 12,802,036	\$ 6,550,122	\$ 7,252,771	\$ 9,234,460
Bond funded	\$ 11,883,578	\$ 8,242,287	\$ 5,264,044			
			\$ 25,389,909			

Utility Board of the City of Key West
 Multi-Year Capital Plan Explanations
 FY09 - FY13

<u>Project Description</u>	<u>Explanations</u>
Transmission	
Transmission Line and Substation Maintenance FKEC territory	Capital projects within FKEC's territory. Upgrade remote terminal units @ Key Largo.
Adjust Tap changers & Replace Contacts	Inspect and upgrade the tap changers at various substations in KEYS' service area.
Re-insulate Line 4 (water portion)	Re-insulate over water portion of Line #4.
Repair Over the Water Transmission Pole Foundations	Repair existing concrete collars on the over water transmission poles with epoxy injections.
Re-insulate Stock Island Plant Substation	Replace all existing porcelain insulators at the Stock Island switchyard with polymer insulators.
Replace 69Kv Switches @ US-1 & Kennedy Drive Substations	Replace aging aluminum transmission switches. Nine switches at each substation.
Upgrade Transmission Relay Panels	Upgrade electro-mechanical transmission relays on 69kV lines with digital relays. (US-1, Stock Island, Kennedy Drive substations)
Repair Line #4 Over the Water Transmission Pole Tops & Static Wire	Structural repair of spalling pole tops and concurrently replace 30 year old shield wire on Line #4.
52 Replace 138Kv & 69Kv Lightning Arrestors	Replace aging lightning arrestors at the substations.
Kennedy Drive Distribution Feeder Tie	This is the Distribution Feeder Tie between the New Stock Island Substation and Kennedy Drive Substation.
Hydrogen Panel for Synchronous Condenser	Replace the existing 30 year old hydrogen panel.
Air Compressor for Synchronous Condenser	Purchase and install an Air Compressor for the SC.
Exciter for Synchronous Condenser	Replace the current 20 year old exciter as replacement parts are no longer available.

Utility Board of the City of Key West
Multi-Year Capital Plan Explanations
FY09 - FY13

<u>Project Description</u>	<u>Explanations</u>
Distribution	
Change out Voltage Regulators	Upgrade regulators to accommodate voltage fluctuation on Sugarloaf & Summerland Keys.
Construct New Substation Stock Island	A new substation is needed on Stock Island, (30MVA 69KV to 13.8KV) due to increased development in the area.
Purchase Transformers	To meet the mandatory requirement for new service and system upgrades.
Other - Daily Work Orders, Engineering Requests	To meet the mandatory requirement for new service and system upgrades.
Improve Distribution (Sectionalizes/Reclosers/Capacitors)	Install additional capacitors for voltage support.
Distribution Improvements Storm Hardening	The inspection and replacement of approximately 3,300 wood poles with new stronger concrete poles.
Install new Feeder/Reconductor Stock Island Substations	Replace existing feeder wire with larger conductor to increase the carrying capacity.
Construct New Feeders on Distribution System - Big Pine Substation	Due to increasing loads, a new feeder at the Big Pine sub-station will be constructed to improve reliability in the area.
Relocate Poles - FDOT Right-of-Way North Roosevelt Rehabilitation	Move poles per the FDOT to allow for a wider right-of-way.
Replace Down Guy	Replace existing rusted down guys.
Stub Pole Removal	Remove and dispose of stub poles, under FPSC regulations.
Replace Substation Transformer KDS #1	Replace existing substation transformer @ Kennedy Drive.
Replace Substation Transformer KDS #2	Replace existing substation transformer @ Kennedy Drive.
Replace Substation Transformer US-1	Replace existing substation transformer @ US-1.
Normal Improvements/Upgrades to Substations	Normal upgrades and improvements of station equipment.
Purchase Residential and Commercial Meters	New installations and replacements of broken customer meters.
Remote Metering (study & implementation plan)	Study & Implement a conversion plan for the existing meter reading system to an automatic meter reading system.
Replace Remote Terminal Units	Replace older RTU's
Field Communications/Radio Replacement	Upgrade and/or replace radio units.
Switchgear Replacement @ Substations (KWDS & US-1)	Replace existing 30 year old switchgear at substations.
Re-insulate 69Kv Dead End Bells & Bus Circuits (KDS & BCS)	Replace existing 50 year old lines at substation reducing the possibility of equipment related outages.

**Utility Board of the City of Key West
Multi-Year Capital Plan Explanations
FY09 - FY13**

<u>Project Description</u>	<u>Explanations</u>
Generation	
Upgrade Emissions Monitoring Equipment	Upgrade existing Opacity monitors and remote monitoring equipment.
Purchase & Install (5) MSD Turbo Chargers	Replace existing turbo chargers with new technology for increased efficiency.
Reskin the HSDs	Rebuild the external structure of the HSDs.
Oil Boom	Replace aging Oil Boom. KEYS' is required to maintain an oil boom which surrounds the fuel barge during fuel delivery.
Overhaul HSD #1, #2, & #3	Preventative maintenance policy requires the five year overhaul of the High Speed Diesels unit #1 & unit #3.
Replace Turbo Charger - High Speed Diesels	Replacement of two turbo chargers on the Stock Island HSD's. This will allow KEYS to maintain efficient operations and remain emission compliant.
Annual Capital Improvements	Repairs to various generating units at Stock Island as needed.
Control Cab (Cat 5 Rating) for HSD w/Breakers & Controls	Replace existing Control Cab with a stronger wind rated cab. This will protect the unit and controls from storm surge.
Facilities	
Purchase & Install Siding for the SIGF	Improve the integrity of the exterior walls of RGSC Building.
Industrial Floor Sweeper (Warehouse)	A new sweeper will maintain a cleaner environment for the health and safety of employees.
Roof Replacement @ Ralph Garcia Synchronous Condenser	Replacement of 25 year old roof on the control room of the RGSC.
Elevator Upgrade Service Building & Stock Island	The replacement of the control package to the freight elevator at SIGF and installation of a double walled sleeve for the elevator shaft at the SIGF & James Street Service Building.
Improvements to Facilities	Improvements to various buildings, including fencing & paving.
Purchase 15,000 lb Vehicle Lift	Routine replacement of the vehicle lift located @ SI garage.
Upgrade Service Building A/C	Replace the HVAC condensing units at James Street.
Electrical Upgrades to RG Building (Facilities)	Upgrade existing 40 year old system with a more efficient lighting system.
New Main Water Lines (Facilities)	New stainless steel water piping from the Front Street entrance of the Generating Facility to the RGSC building.
Upgrade Security to TWIC's	Purchase of an addition Guard Shack with Transportation Workers Identification Certificate card reader. This is mandated under Home Land Security and enforced by the US Coast Guard.

Utility Board of the City of Key West
 Multi-Year Capital Plan Explanations
 FY09 - FY13

Project Description

Explanations

Fleets

- Replace (2) Fuel Tanks @ Garage
- Overhaul Company Vehicles
- Replace Vehicles
- Purchase Attachments for Skid Steer Loader
- Riding Lawn Mower Vehicle #114

- Replace the two aging Phoenix Tanks with two larger 4,000 gallon double wall UL#2085 Convault above ground tanks.
- Overhaul line trucks to increase life and reliability.
- Normal vehicle rotation and/or replacement.
- Purchase of the attachments will allow for additional usage of the skid steer loader.
- Replace existing 10 year old riding lawn mower used of maintenance of substation.

Information Technology

- Replace Automated Vehicle Locators (AVL) Tractors
- Upgrade PC's & Equipment Electrical Operation & Production
- Upgrade PC's
- Inventory Barcode System
- Customer Service and Financial System Upgrade
- Replace or Upgrade SCADA System
- Replace all Network Switching Equipment
- Core Network Equipment to Support Fiber
- Fiber Substation Equipment
- Replace Servers
- Replace Printers
- Install System Wide Fiber Network (Back Bone)

- Replacing automated vehicle locaters as they fail or break.
- Specific types of hardware, software required to interact, test, configure & maintain in various area of utility.
- Replacement of Personal Computer's as new technology is developed.
- Hardware associated with bar coding every inventory item in KEYS warehouse.
- Upgrade to next level of software to current with new technologies and increase system functionality.
- Scheduled replacement of the utilities communication system.
- Scheduled replacement in order to maintain the reliability of KEYS data and voice network services.
- Purchase of equipment essential for the function of the fiber network.
- Purchase of equipment necessary to connect substations to the new SCADA System.
- Replacement of KEYS' servers to keep pace with new technologies.
- Replacement of KEYS' printer to keep pace with new technologies.
- Design and build 65 miles of fiber network.

General Plant

- Emergency Contingency

- Project set up to fund unbudgeted emergencies and utilized at the General Managers request.

Summary of Debt Service Coverage

Payment Date	Series 2006 Bonds	Series 2001 Bonds	Series 2000 Bonds	Series 1991 Bonds	Aggregate Debt Service	Payments Fiscal Year	Funding Calendar Year
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	\$ 81,192,196	\$ 9,870,181	\$ 55,929,538	\$ 46,350,000	\$ 193,341,915	\$ 193,341,915	\$ 193,341,915

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>Payments</u> <u>Fiscal Year</u>	<u>Funding</u> <u>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	\$ 8,077,785		\$ 38,272,215	\$46,350,000	\$ 46,350,000	\$ 46,350,000
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>		

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>
10/1/2007	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	<u>\$ 44,530,000</u>		<u>\$ 11,399,538</u>	<u>\$ 55,929,538</u>	<u>\$ 55,929,538</u>	<u>\$ 55,929,538</u>
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 - 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>
10/1/2007	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 - 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>Payments</u>	<u>Funding</u>
					<u>Fiscal Year</u>	<u>Calendar Year</u>
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	<u>\$ 42,000,000</u>		<u>\$ 39,192,196</u>	<u>\$ 81,192,196</u>	<u>\$ 81,192,196</u>	<u>\$ 81,192,196</u>

**UTILITY BOARD OF THE CITY OF KEY WEST TRAVEL BUDGET
UTILITY BOARD
FY 08**

PURPOSE	JUSTIFICATION
<u>Lou Hernandez, Chairman</u>	
FMPA, Orlando - (5 trips)	FMPA - ARP/Exec Comm/Board - Mtgs
APPA, Washington DC	Legis Workshop Rally
FMEA Tallahassee	Planning Conf/Legislative Rally
APPA	National Conference
FMEA/FMPA	Annual Conference
<u>Peter Batty, Vice-Chairman</u>	
APPA, Washington DC	Legislative Workshop Rally/Winter Comm
FMEA, Tallahassee	Planning Conf/Legislative Rally
APPA	National Conference
FMEA/FMPA	Annual Conference
<u>Leonard Symroski, Member</u>	
APPA, Washington DC	Legislative Workshop Rally
FMEA, Tallahassee	Planning Conf/Legislative Rally
APPA	National Conference
FMEA/FMPA	Annual Conference
ARP 101 - Orlando	Seminar
<u>Charles Bradford, Member</u>	
APPA, Washington DC	Legislative Workshop Rally
FMEA, Tallahassee	Planning Conf/Legislative Rally
APPA	National Conference
FMEA/FMPA	Annual Conference
<u>Mona Clark, Member</u>	
APPA, Washington DC	Legislative Workshop Rally/Winter Comm
FMEA, Tallahassee	Planning Conf/Legislative Rally
APPA	National Conference
FMEA/FMPA	Annual Conference