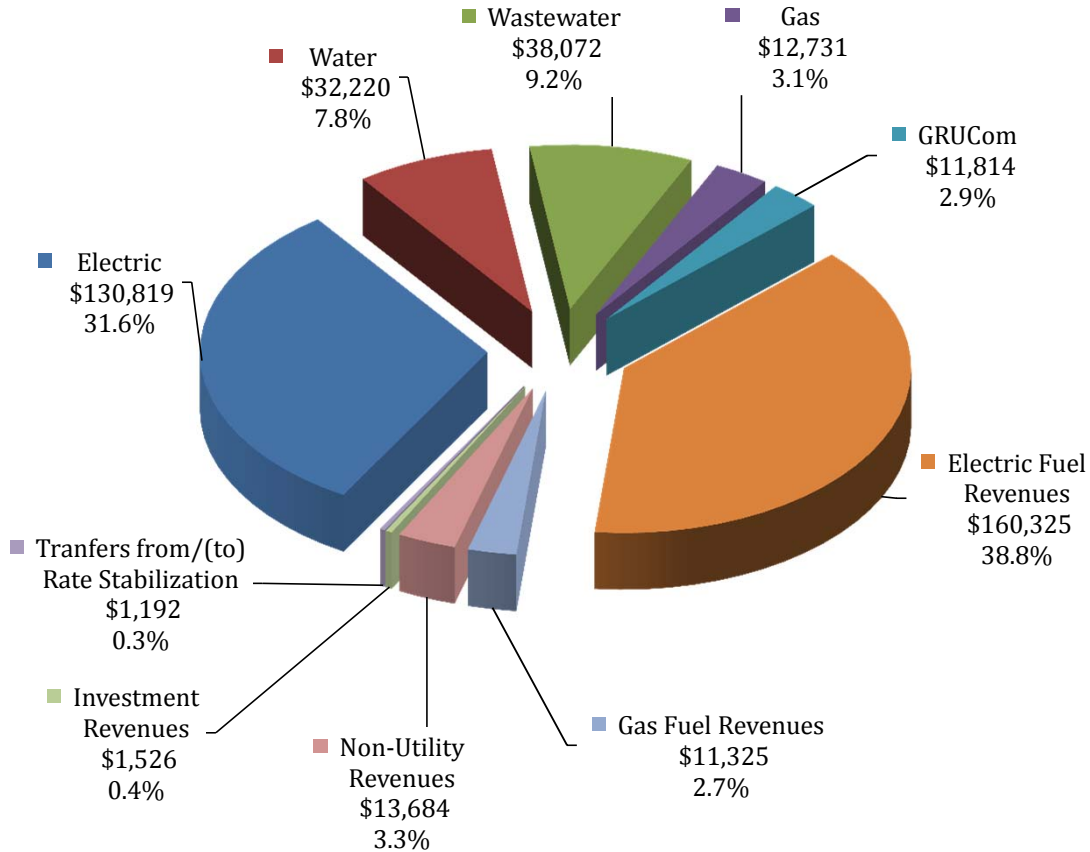


## **Section A – Budget Overview**

# Annual Operating Budget

## Budget Overview

**FY15 Revenues**  
Dollars in Thousands



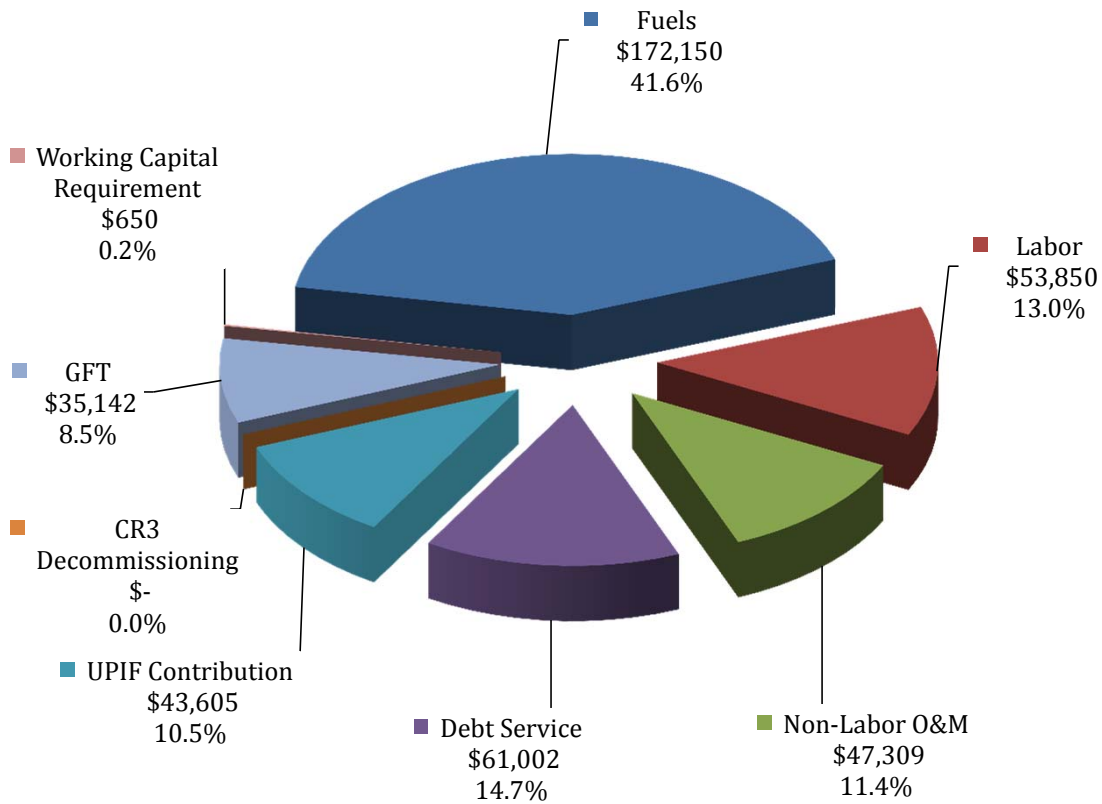
	Original Budget 2014	Projected Budget 2014	Proposed Budget 2015	Proposed Budget 2016
Revenues:				
Electric	\$ 143,829	\$ 138,378	\$ 130,819	\$ 139,374
Water	31,191	30,596	32,220	33,602
Wastewater	35,944	35,983	38,072	40,001
Gas	12,639	12,286	12,731	13,267
GRUCom	11,380	11,134	11,814	12,901
Electric Fuel Revenues	153,351	146,067	160,325	167,022
Gas Fuel Revenues	10,382	11,468	11,325	10,745
Non-Utility Revenues	14,921	12,980	13,684	14,425
Investment Revenues	1,354	1,399	1,526	1,496
Trfers from/(to) Rate Stabilization	(8,911)	(6,322)	1,192	(3,430)
<b>Total Revenues</b>	<b>\$ 406,080</b>	<b>\$ 393,969</b>	<b>\$ 413,708</b>	<b>\$ 429,403</b>

# Annual Operating Budget

## Budget Overview

### FY15 Expenses and Uses of Net Revenues

Dollars in Thousands



	Original Budget 2014	Projected Budget 2014	Proposed Budget 2015	Proposed Budget 2016
<b>Expenses and Use of Net Revenues:</b>				
Fuels	\$ 164,933	\$ 158,035	\$ 172,150	\$ 178,266
Labor	54,694	53,886	53,850	55,052
Non-Labor O&M	53,170	50,197	47,309	50,245
Debt Service	51,942	51,646	61,002	61,825
UPIF Contribution	42,881	42,881	43,605	47,074
CR3 Decommissioning	359	7	-	-
GFT	38,101	37,317	35,142	35,691
Working Capital Requirement	-	-	650	1,250
<b>Total Expenses</b>	<b>\$ 406,080</b>	<b>\$ 393,969</b>	<b>\$ 413,708</b>	<b>\$ 429,403</b>

## Annual Operating Budget

### Budget Overview

FY15 Rate				
Electric	Consumption		FY14 Rate	FY15 Rate
Residential Customer Charge	Per Bill	\$	11.90	\$ 12.90
Residential	Tier One (0-250 kWh)	\$	0.039	\$ 0.032
Residential	Tier Two (251-750 kWh)	\$	0.050	\$ 0.045
Residential	Tier Three (over 750 kWh)	\$	0.094	\$ 0.080
General Service Non-Demand Customer Charge	Per Bill	\$	30.00	\$ 30.00
General Service Non-Demand	Tier One (0-1500 kWh)	\$	0.076	\$ 0.069
General Service Non-Demand	Tier Two (over 1500 kWh)	\$	0.106	\$ 0.100
General Service Demand Customer Charge	Per Bill	\$	100.00	\$ 100.00
General Service Demand Charge	Per kW	\$	9.25	\$ 8.75
General Service Energy Charge	Per kWh	\$	0.045	\$ 0.0405
Large Power Customer Charge	Per Bill	\$	350.00	\$ 350.00
Large Power Demand Charge	Per kW	\$	9.25	\$ 8.75
Large Power Energy Charge	Per kWh	\$	0.041	\$ 0.0365
Water	Consumption		FY14 Rate	FY15 Rate
Residential Customer Charge	Per Bill	\$	9.00	\$ 9.35
Residential	Tier One (0-6 kgals)	\$	2.30	\$ 2.40
Residential	Tier Two (7 - 20 kgals)	\$	3.75	\$ 3.80
Residential	Tier Three (over 20 kgals)	\$	6.00	\$ 6.00
Commercial Customer Charge	Per Bill	\$	9.00	\$ 9.35
Commercial	All kgals	\$	3.80	\$ 3.90
Irrigation Residential Customer Charge	Per Bill	\$	9.00	\$ 9.35
Irrigation Residential	Tier One (0-14 kgals)	\$	3.75	\$ 3.80
Irrigation Residential	Tier Two (over 14 kgals)	\$	6.00	\$ 6.00
Irrigation Commercial Customer Charge	Per Bill	\$	9.00	\$ 9.35
Irrigation Commercial	All kgals	\$	4.50	\$ 4.60

## Annual Operating Budget

### Budget Overview

<b>FY15 Rate</b>			
<b>Water - with the Addition of Multi Family Rate</b>	<b>Consumption</b>	<b>FY14 Rate</b>	<b>FY15 Rate</b>
Residential Customer Charge	Per Bill	\$ 9.00	\$ 9.20
Residential	Tier One (0-6 kgals)	\$ 2.30	\$ 2.35
Residential	Tier Two (7 - 20 kgals)	\$ 3.75	\$ 3.75
Residential	Tier Three (over 20 kgals)	\$ 6.00	\$ 6.00
Commercial Customer Charge	Per Bill	\$ 9.00	\$ 9.20
Commercial	All kgals	\$ 3.80	\$ 3.85
Multi-Family Customer Charge	Per Bill	n/a	\$ 9.20
Multi-Family	All kgals	n/a	\$ 3.05
Irrigation Residential Customer Charge	Per Bill	\$ 9.00	\$ 9.20
Irrigation Residential	Tier One (0-14 kgals)	\$ 3.75	\$ 3.75
Irrigation Residential	Tier Two (over 14 kgals)	\$ 6.00	\$ 6.00
Irrigation Commercial Customer Charge	Per Bill	\$ 9.00	\$ 9.20
Irrigation Commercial	All kgals	\$ 4.50	\$ 4.55
<b>Wastewater</b>	<b>Consumption</b>	<b>FY14 Rate</b>	<b>FY15 Rate</b>
All Customers	Per Bill	\$ 7.85	\$ 8.40
	All kgals	\$ 5.85	\$ 6.05
Reclaimed Water	Per Bill	\$ 7.85	\$ 8.40
	All kgals	\$ 0.65	\$ 0.70
<b>Natural Gas</b>	<b>Consumption</b>	<b>FY14 Rate</b>	<b>FY15 Rate</b>
Residential Customer Charge	Per Bill	\$ 9.52	\$ 9.75
Residential Energy Charge	Per Therm	\$ 0.4820	\$ 0.5020
Residential - MGP Charge	Per Therm	\$ 0.0505	\$ 0.0556
Small Commercial Customer Charge	Per Bill	\$ 20.00	\$ 20.00
Small Commercial Energy Charge	Per Therm	\$ 0.47	\$ 0.4900
Small Commercial MGP Charge	Per Therm	\$ 0.05	\$ 0.0556
Commercial Customer Charge	Per Bill	\$ 40.00	\$ 40.00
Commercial Energy Charge	Per Therm	\$ 0.3430	\$ 0.3650
Commercial MGP Charge	Per Therm	\$ 0.0505	\$ 0.0556
Large Commercial Customer Charge	Per Bill	\$ 375.00	\$ 375.00
Large Commercial Energy Charge	Per Therm	\$ 0.2039	\$ 0.20500
Large Commercial MGP Charge	Per Therm	\$ 0.0505	\$ 0.0556

### System Overview

#### *Electric System*

The Electric System Energy Supply Division operates the J. R. Kelly Generating Station with a net summer generation capability of 177 MW, the Deerhaven Generating Station with a total net summer generation capability of 417 MW, and the South Energy Center with a capacity of 4 MW. The total combined generating resources for GRU are 598 MW.

The Electric System Transmission and Distribution Division is comprised of 120 miles of transmission lines, 568 miles of overhead distribution lines, 846 miles of underground distribution lines, and 13 substations and switchyards. The Energy Delivery Department is responsible for the construction, operation and maintenance of all GRU-owned substations as well as all transmission and distribution infrastructure, which includes: conductors, cables and wires of various sizes and materials, poles, protection devices, isolating and interrupting devices, voltage regulators, meters and control systems.

#### *Water System*

The Water System is responsible for operating and maintaining the Murphree Water Treatment Plant, which has a treatment capacity of 54 million gallons of water per day (MGD). These responsibilities include providing safe, reliable, high-quality drinking water to customers at acceptable pressures and volumes. The Water System is also responsible for construction, operation and maintenance of over 1,128 miles of water transmission and distribution main, as well as the installation and maintenance of water meters, fire hydrants and backflow prevention devices.

#### *Wastewater System*

The Wastewater System operates and maintains the 14.9 MGD Kanapaha Water Reclamation Facility, the 7.5 MGD Main Street Water Reclamation Facility, 170 lift stations, 642 miles of gravity main and 136 miles of associated force main. Responsibilities include pumping, treating and discharging high-quality treated effluent that meets federal and state drinking water standards, and providing high-quality reclaimed water to residential and business customers primarily for irrigation. The Wastewater System also administers the utility's industrial pretreatment, biosolids, grease and backflow prevention programs.

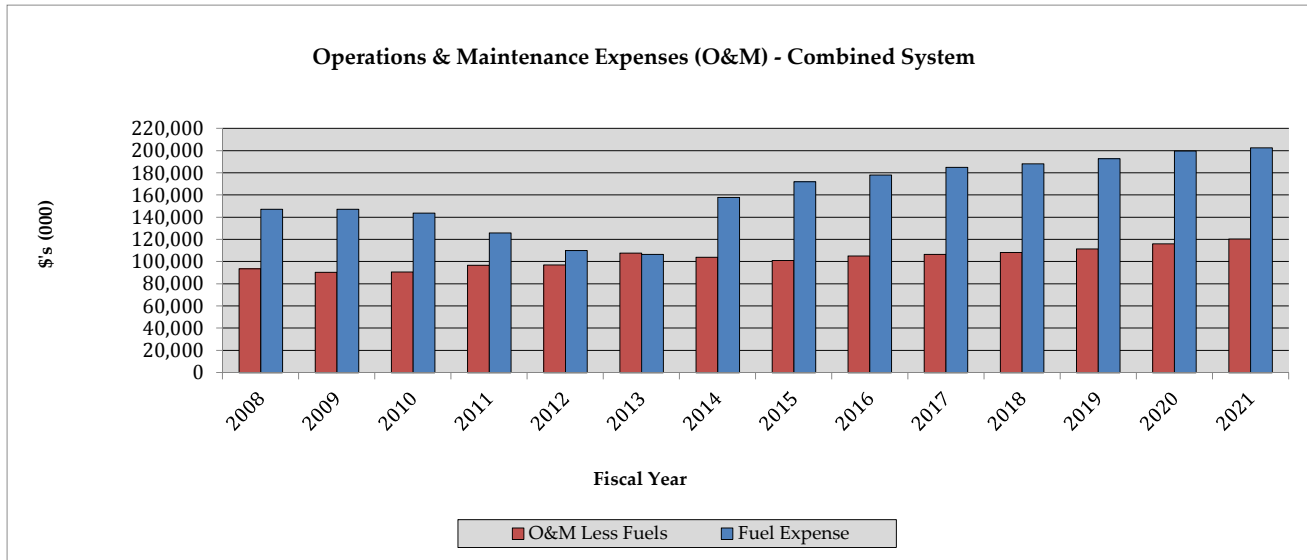
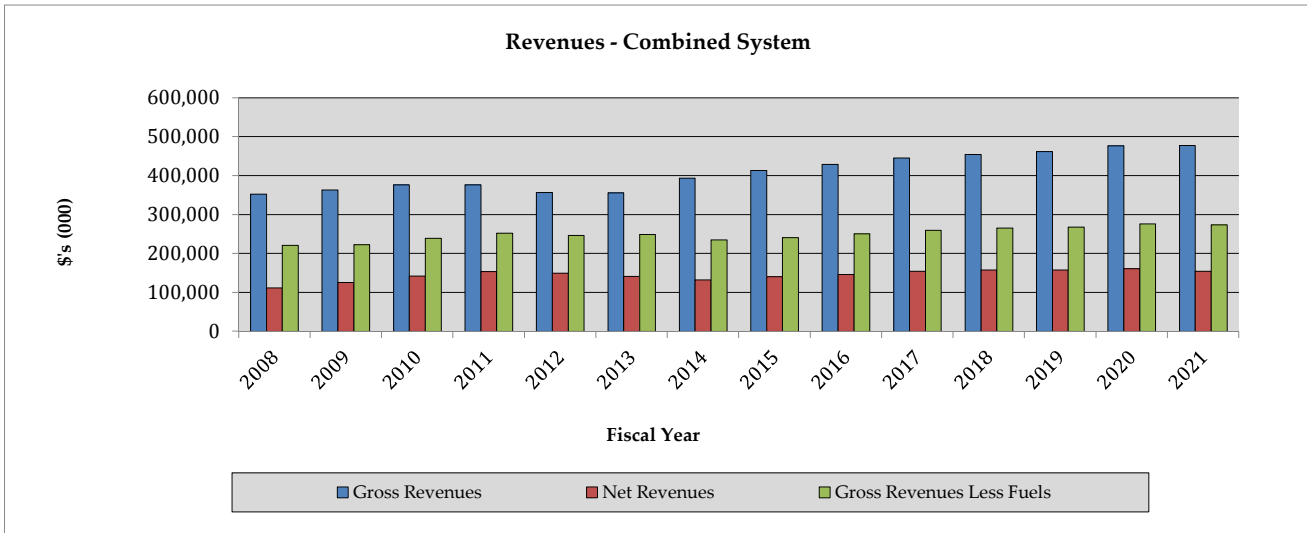
#### *Gas System*

The Gas System covers approximately 115 square miles and provides service to 29 percent of Alachua County's population. Energy Delivery is responsible for the construction, operation and maintenance of all GRU-owned gate stations, as well as all transmission and distribution system infrastructure, which includes: pipelines of various sizes and materials, valves, pressure regulators, protection devices, odorant injection systems, meters and control systems. The system as described also includes a number of propane gas distribution systems that are operated in developments where natural gas is not yet available.

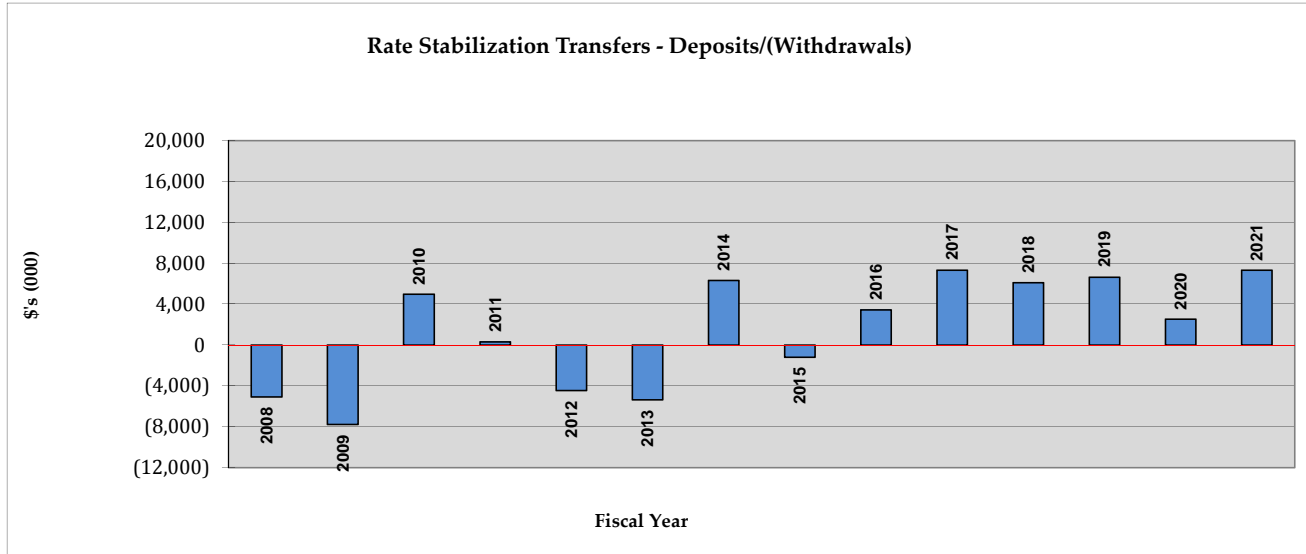
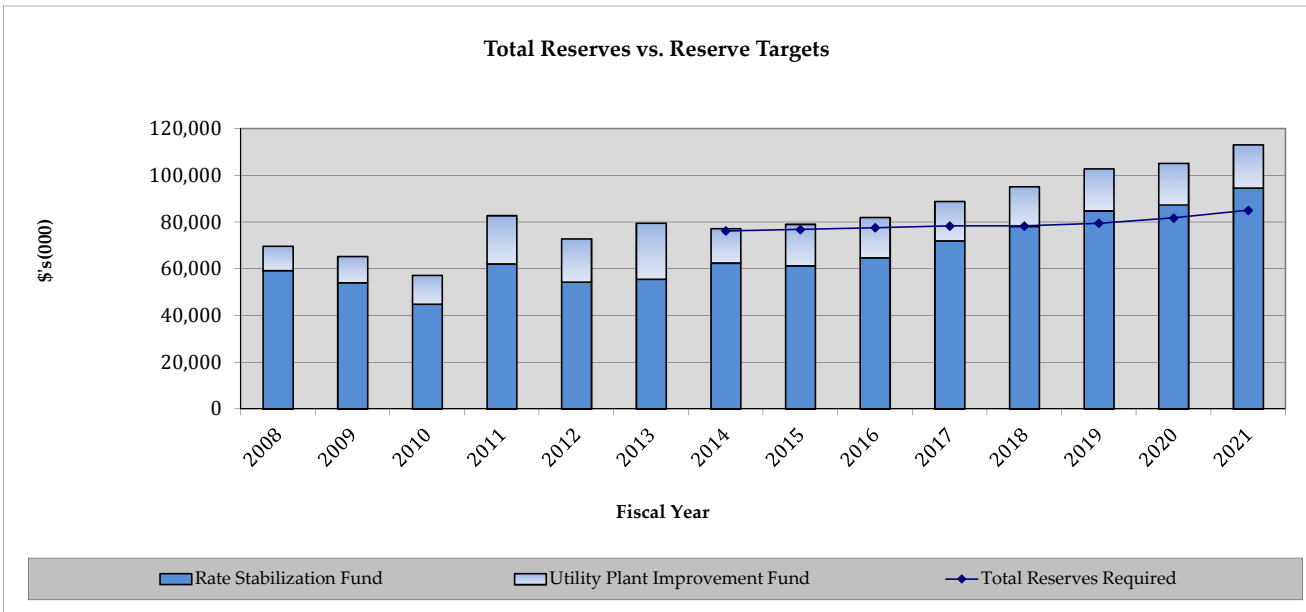
## *GRUCom*

The Telecommunications System, GRUCom, provides transport services utilizing a 410-mile fiber-optic network. GRUCom's four basic product lines include Telecommunication (data transport and carrier services), Public Safety Radio, Tower and Co-location Leasing, and Internet Access. GRUCom is divided into several operating units, including Business Management, Engineering, Construction, Electronics, Network Operations, and Public Safety Radio System. The GRUCom fiber-optic network continues to expand, providing customers with unmatched service and reliability.

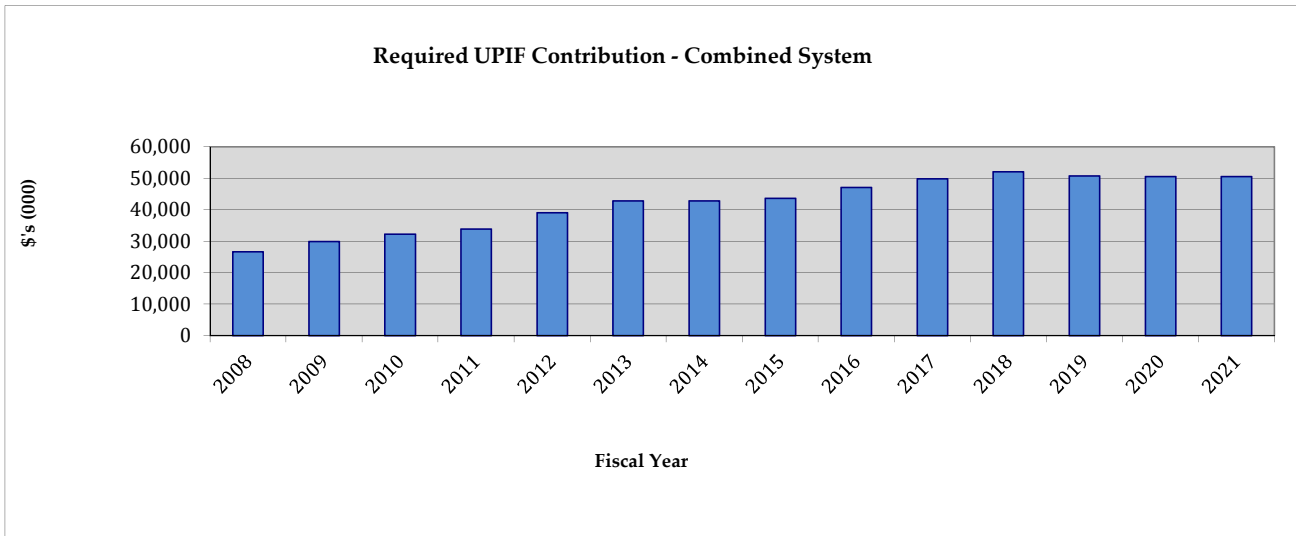
Through expansion of its product base or affiliation with other service providers to deliver bundled services, GRUCom continues its mission of bringing new communications technologies and services to Gainesville at affordable prices.



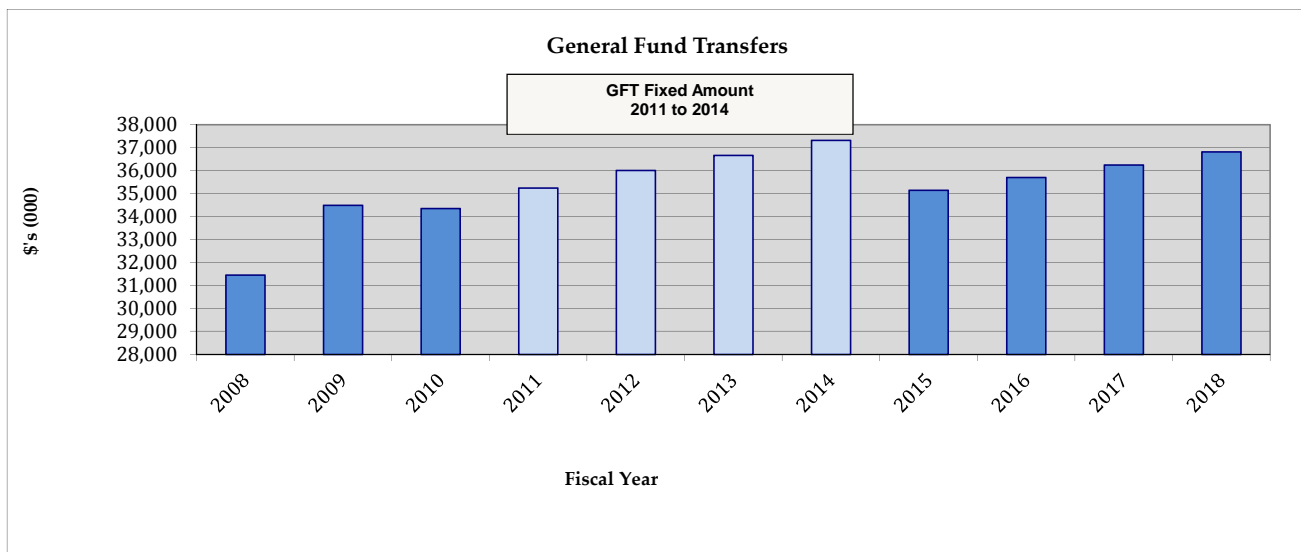




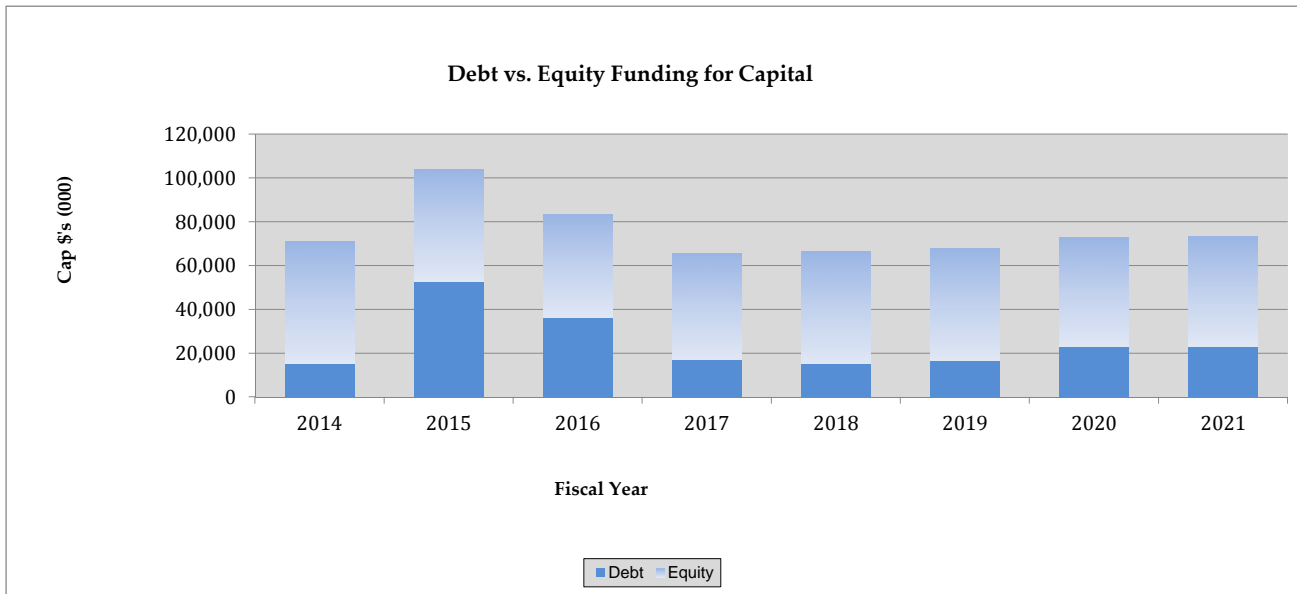
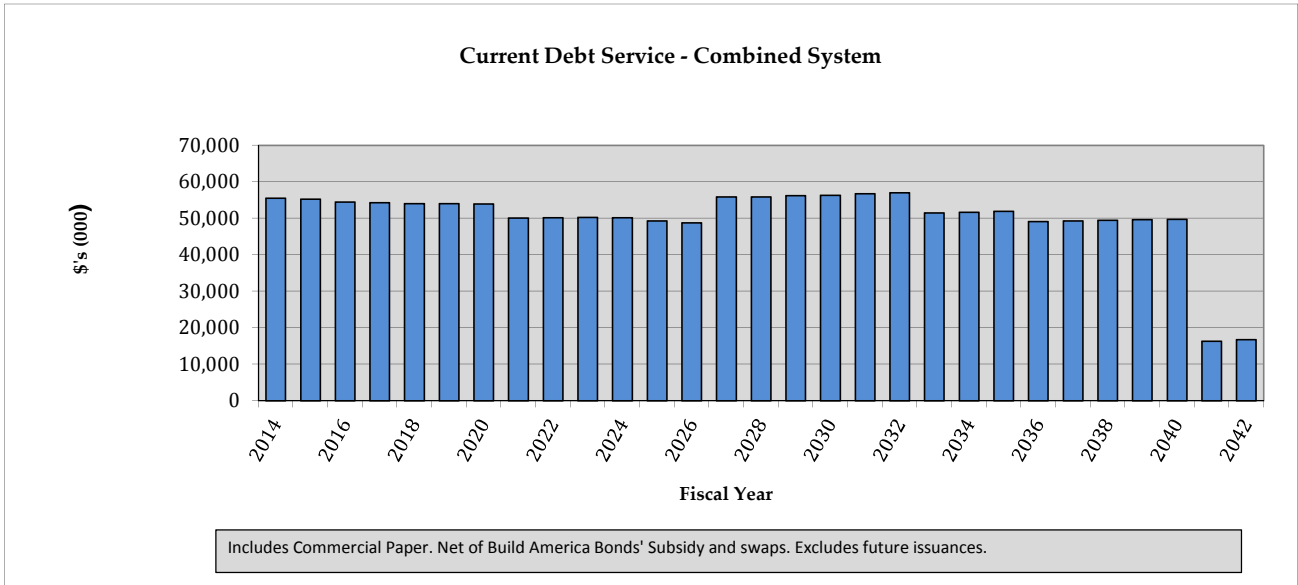
Positive numbers reflect a deposit into the Rate Stabilization Fund. This indicates that Utility revenues were greater than expenses, including General Fund Transfer, Debt Service and UPIF contributions. Negative numbers reflect a withdrawal from the Rate Stabilization Fund. This indicates that Utility revenues were less than expenses, including General Fund Transfers, Debt Service and UPIF contributions.



The Utility Plant Improvement Fund (UPIF) Contribution is required by the Utilities System Revenue Bond Resolution, As Amended.



The General Fund Transfer (GFT) represents transfers to the City of Gainesville’s General Fund, in total, for all Systems.

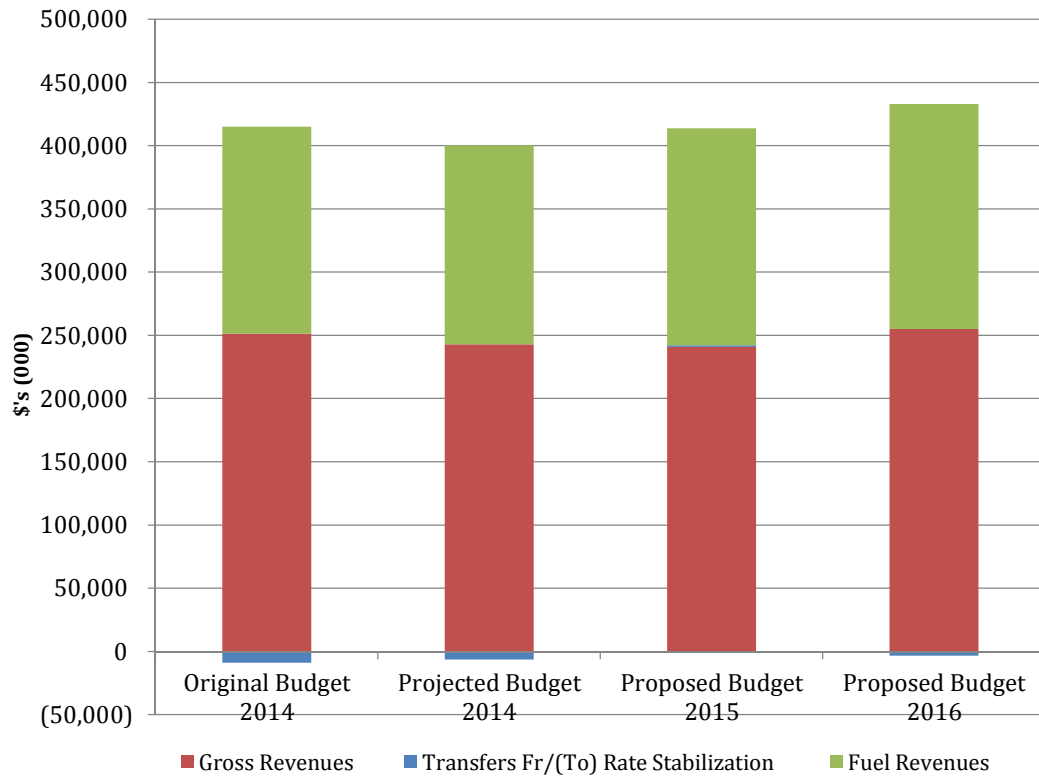


# Annual Operating Budget

## Budget Overview

### Revenues Trend

Fiscal Years Ending September 30

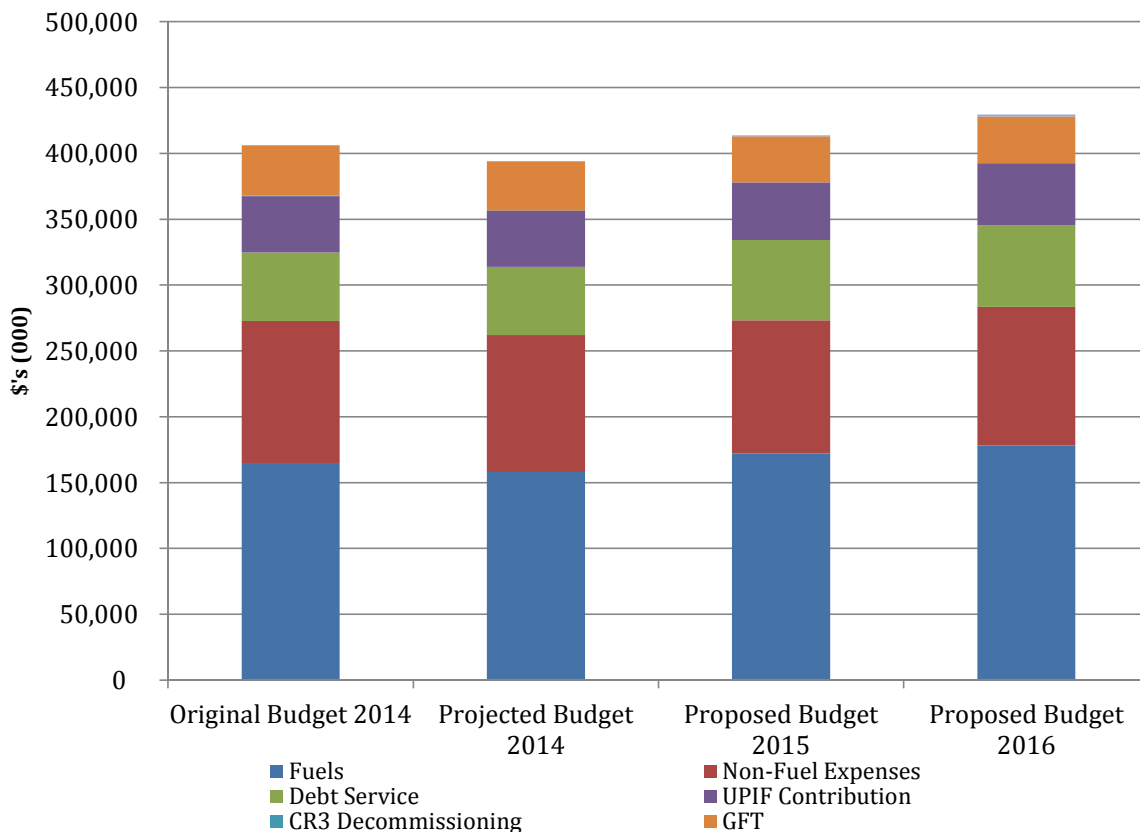


	Original Budget 2014	Projected Budget 2014	Proposed Budget 2015	Proposed Budget 2016
Utility Operating Revenues				
Electric	\$ 143,829	\$ 138,378	\$ 130,819	\$ 139,374
Water	31,191	30,596	32,220	33,602
Wastewater	35,944	35,983	38,072	40,001
Gas	12,639	12,286	12,731	13,267
GRUCom	11,380	11,134	11,814	12,901
Fuel Revenues	163,733	157,535	171,650	177,767
Non-Utility Revenues	14,921	12,980	13,684	14,425
Investment Revenues	1,354	1,399	1,526	1,496
Transfer from/(to) Rate Stabilization	(8,911)	(6,322)	1,192	(3,430)
<b>Total Revenues</b>	<b>\$ 406,080</b>	<b>\$ 393,969</b>	<b>\$ 413,708</b>	<b>\$ 429,403</b>

# Annual Operating Budget

## Budget Overview

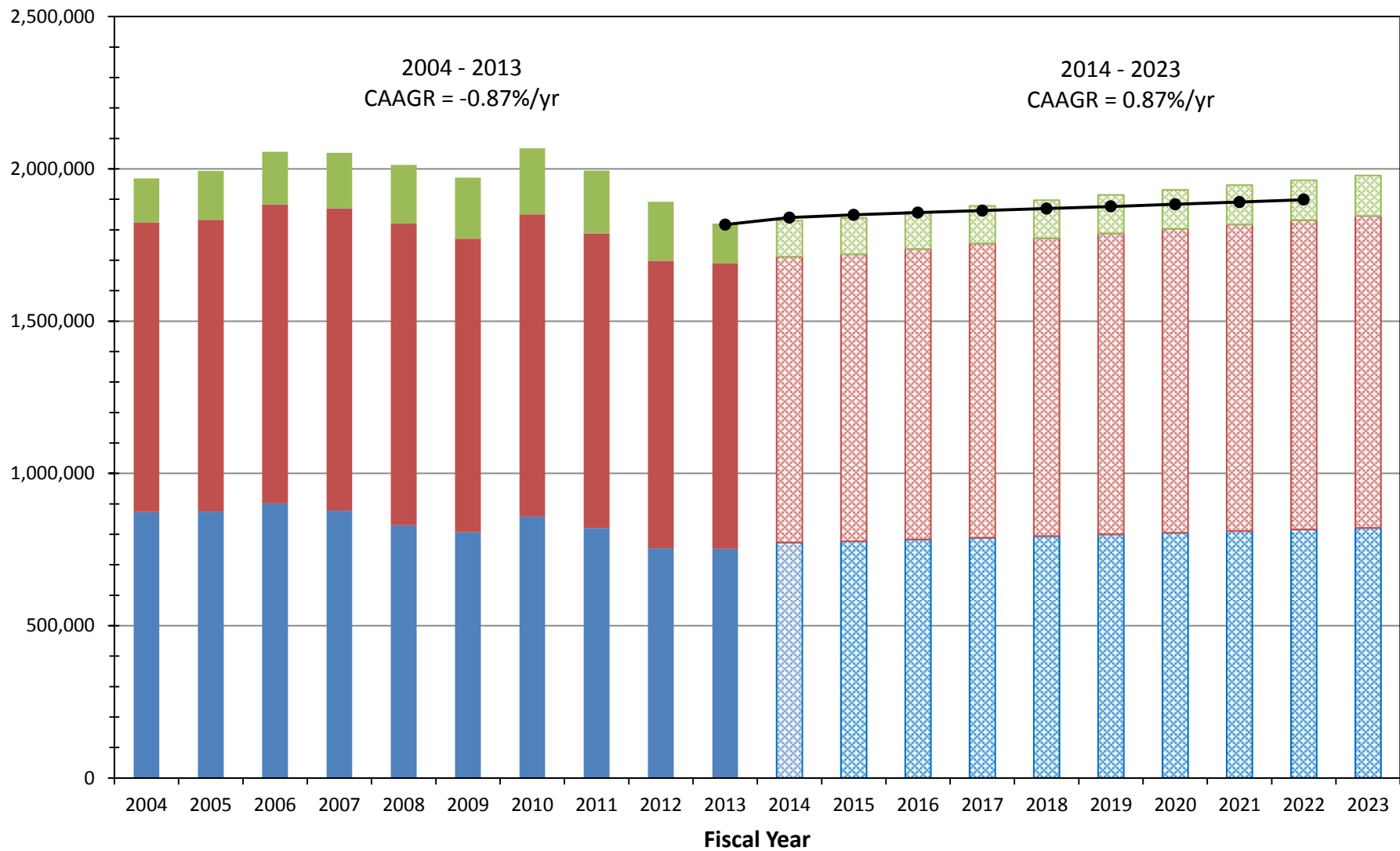
**Expenses Trend**  
Fiscal Years Ending September 30



	Original Budget 2014	Projected Budget 2014	Proposed Budget 2015	Proposed Budget 2016
Fuels	\$ 164,933	\$ 158,035	\$ 172,150	\$ 178,266
Labor - Operations	33,924	34,025	33,574	34,291
Labor - Administrative	20,770	19,861	20,276	20,761
<b>Total Labor</b>	<b>54,694</b>	<b>53,886</b>	<b>53,850</b>	<b>55,052</b>
O&M - Operations	31,603	30,127	29,338	31,555
O&M - Administrative	21,567	20,070	17,971	18,690
<b>Total O&amp;M</b>	<b>53,170</b>	<b>50,197</b>	<b>47,309</b>	<b>50,245</b>
<b>Total Expenses</b>	<b>272,797</b>	<b>262,118</b>	<b>273,309</b>	<b>283,563</b>
Debt Service	51,942	51,646	61,002	61,825
UPIF Contribution	42,881	42,881	43,605	47,074
CR3 Decommissioning	359	7	-	-
GFT	38,101	37,317	35,142	35,691
Working Capital Requirement	-	-	650	1,250
<b>Uses of Net Revenues</b>	<b>133,283</b>	<b>131,851</b>	<b>140,399</b>	<b>145,840</b>
<b>Total Expenses and Uses</b>	<b>\$ 406,080</b>	<b>\$ 393,969</b>	<b>\$ 413,708</b>	<b>\$ 429,403</b>

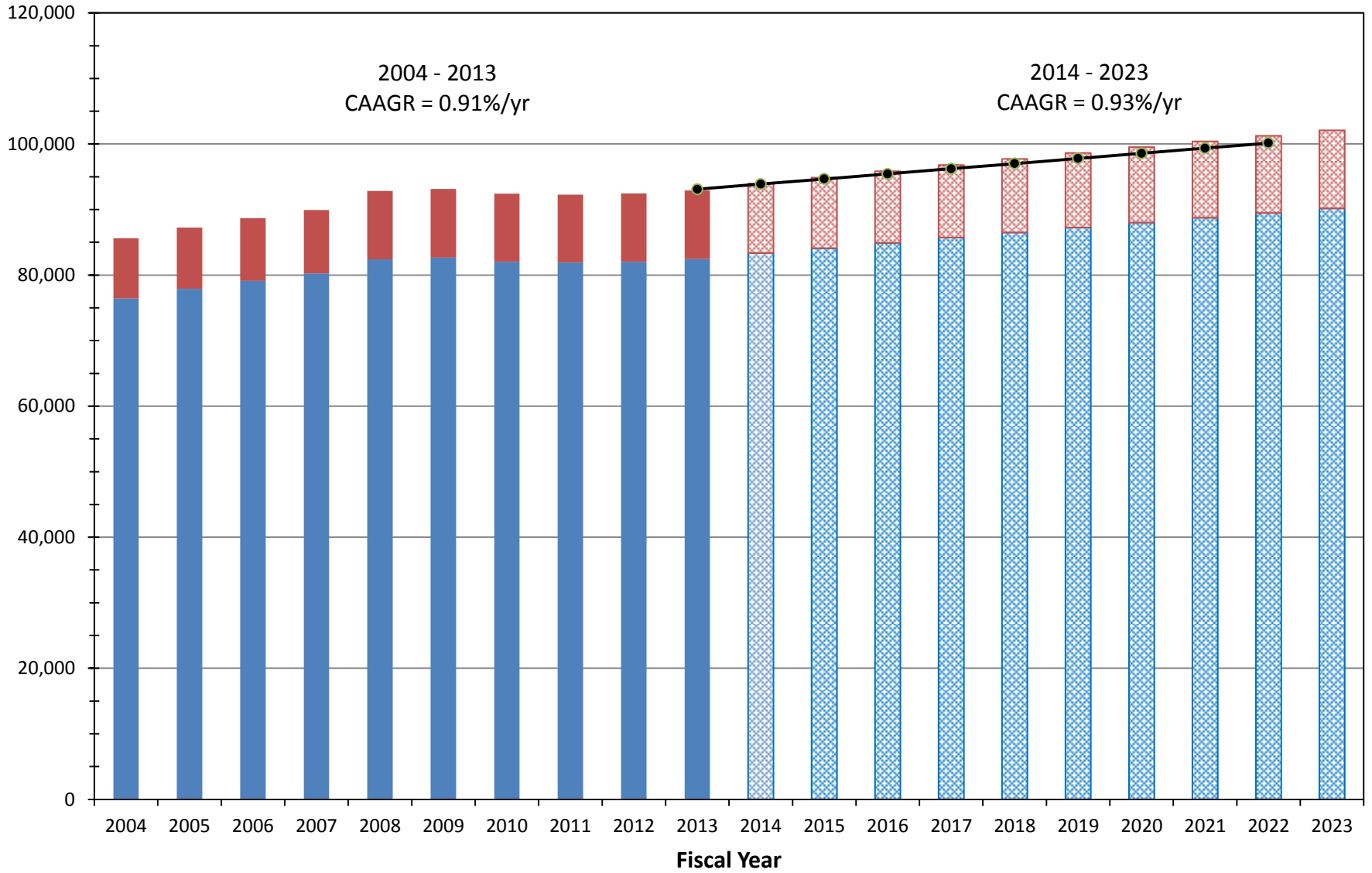
# Electric Energy Sales MegaWatt-hours

Residential Non-Residential Sales for Resale 2014 Forecast



# Electric Customers

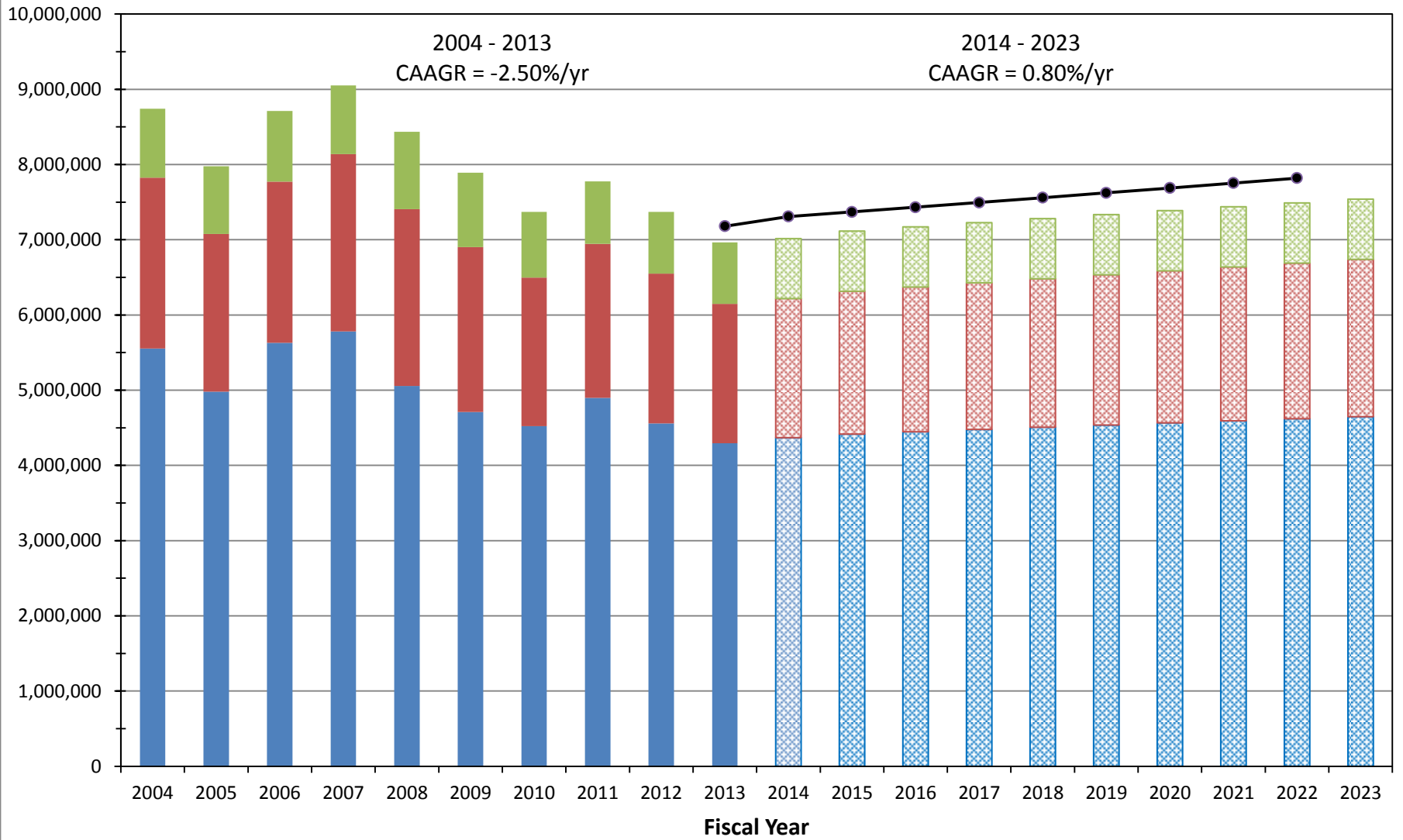
Residential Non-Residential 2014 Forecast



# Water Sales

## Thousand Gallons (kgal)

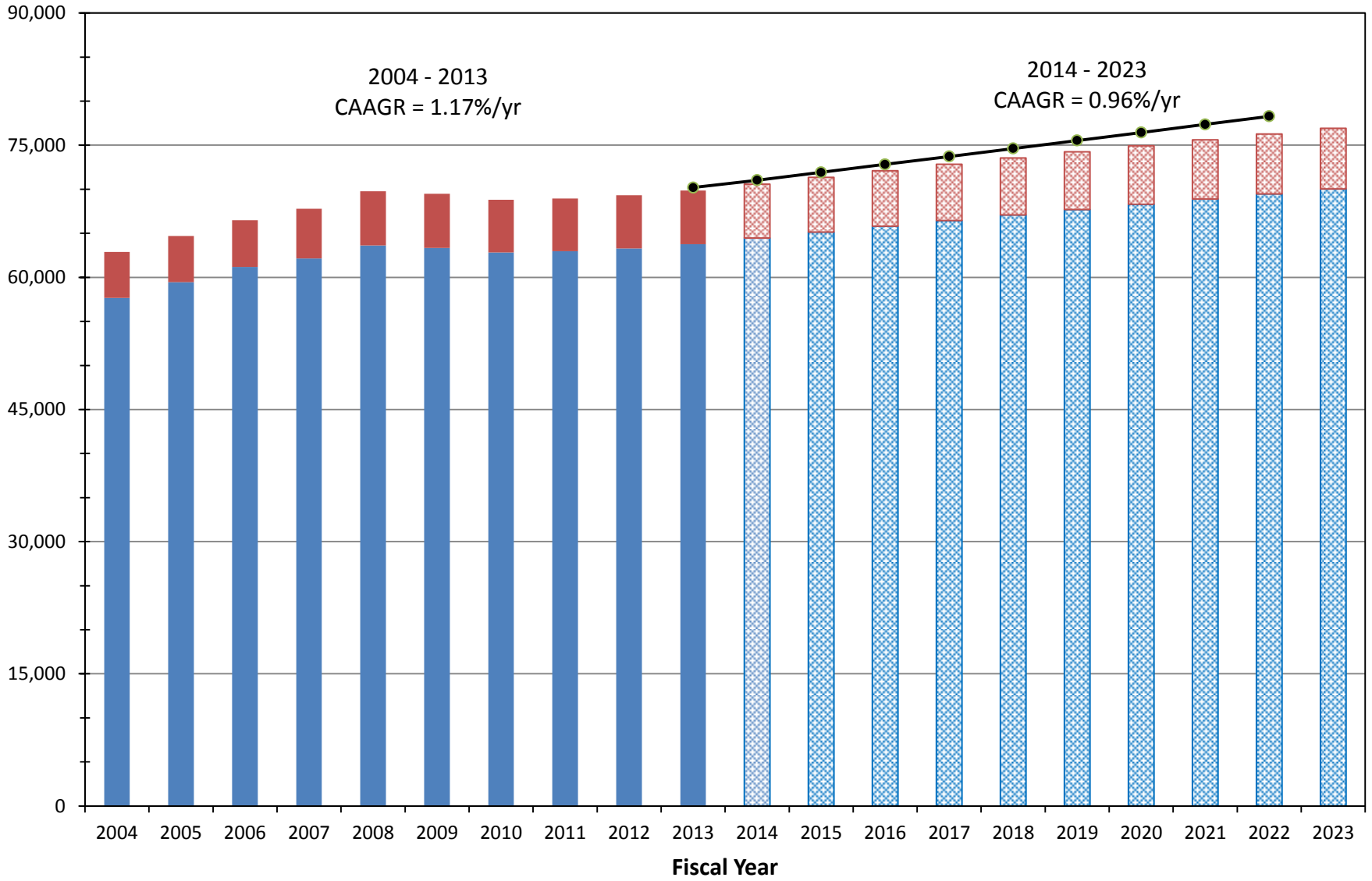
■ Residential   
 ■ Non-Residential   
 ■ University of Florida   
 ● 2014 Forecast





# Water Customers

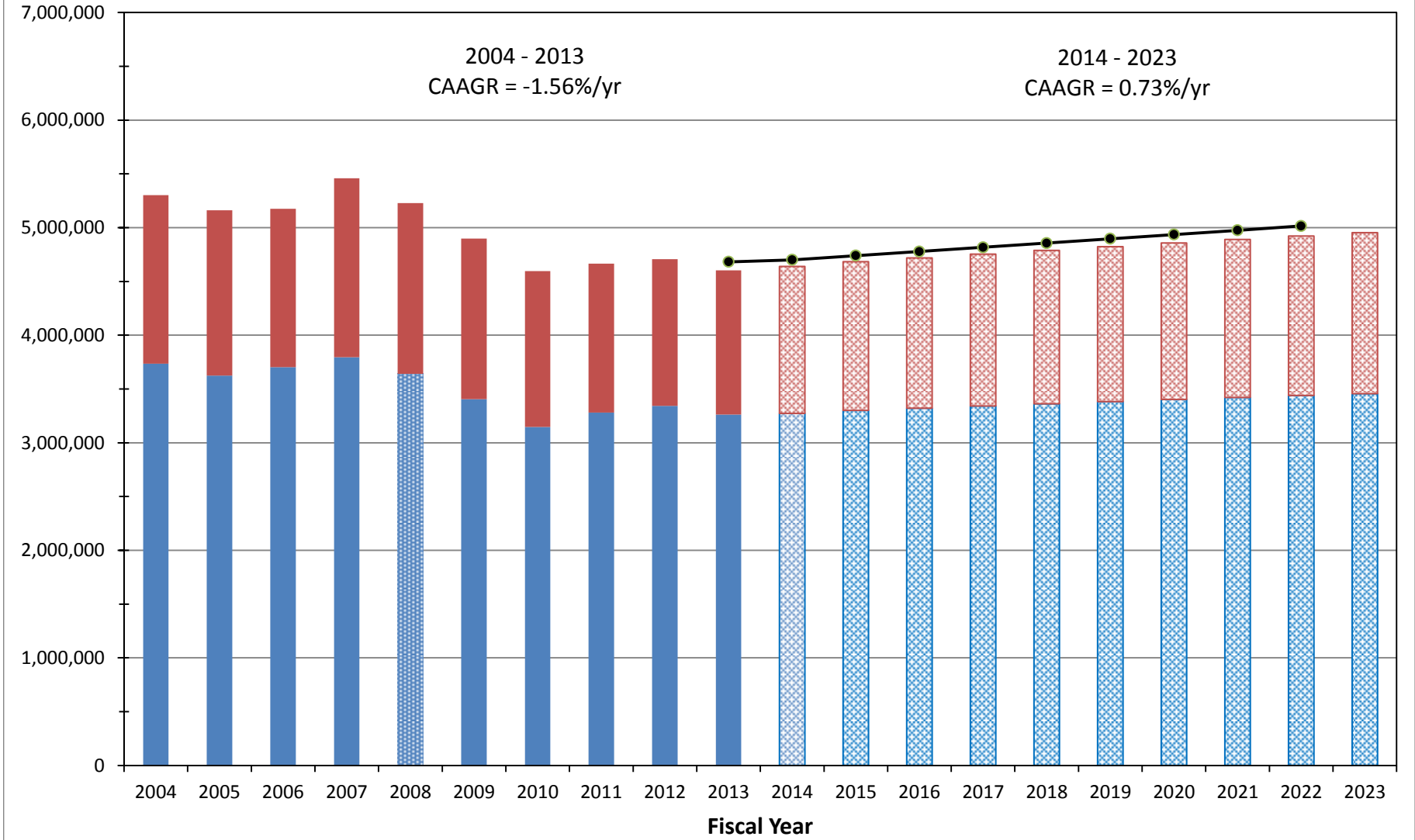
Residential Non-Residential 2014 Forecast



# Wastewater Billings

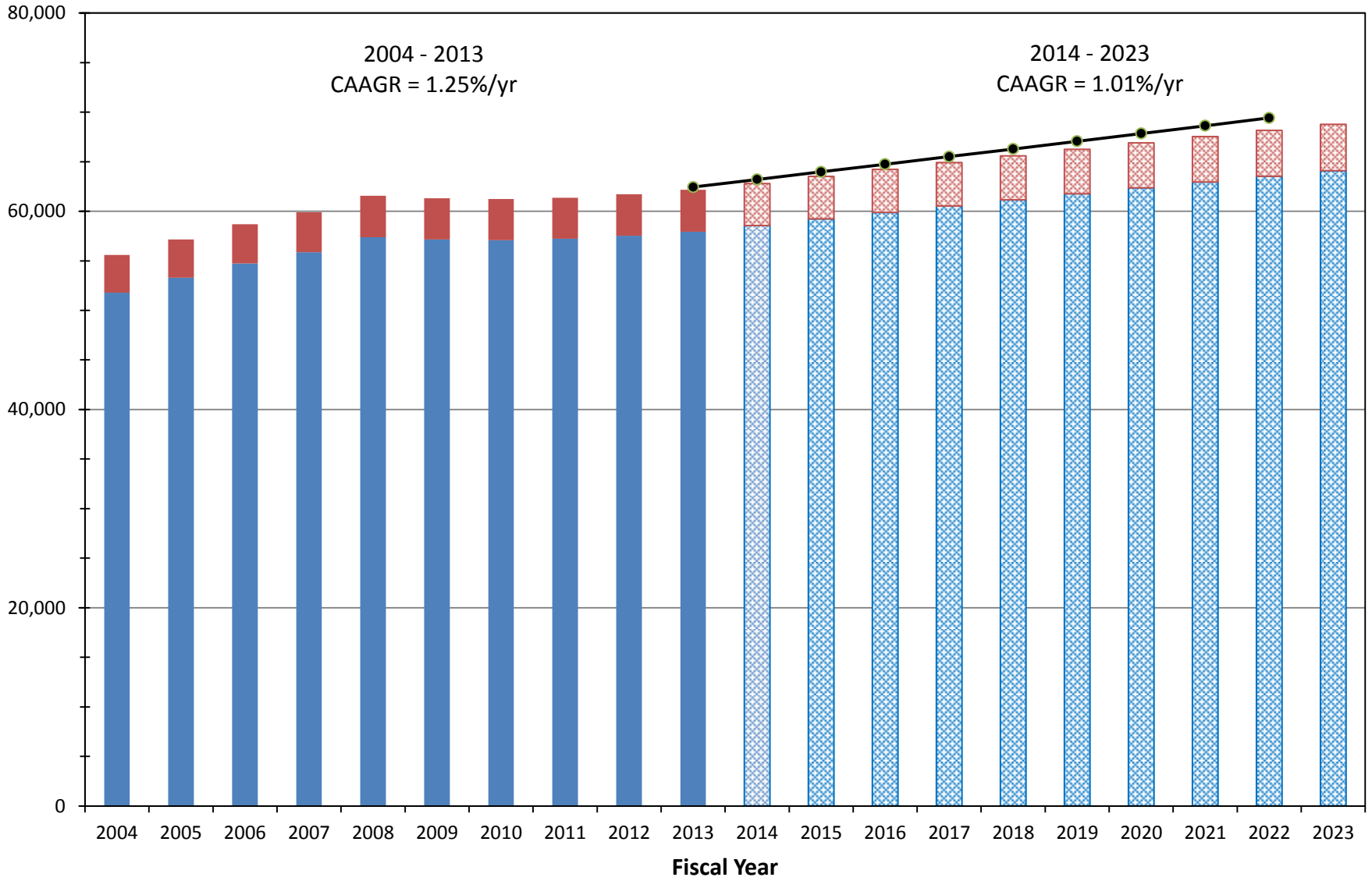
## Thousand Gallons (kgal)

■ Residential   
 ■ Non-Residential   
 —●— 2014 Forecast



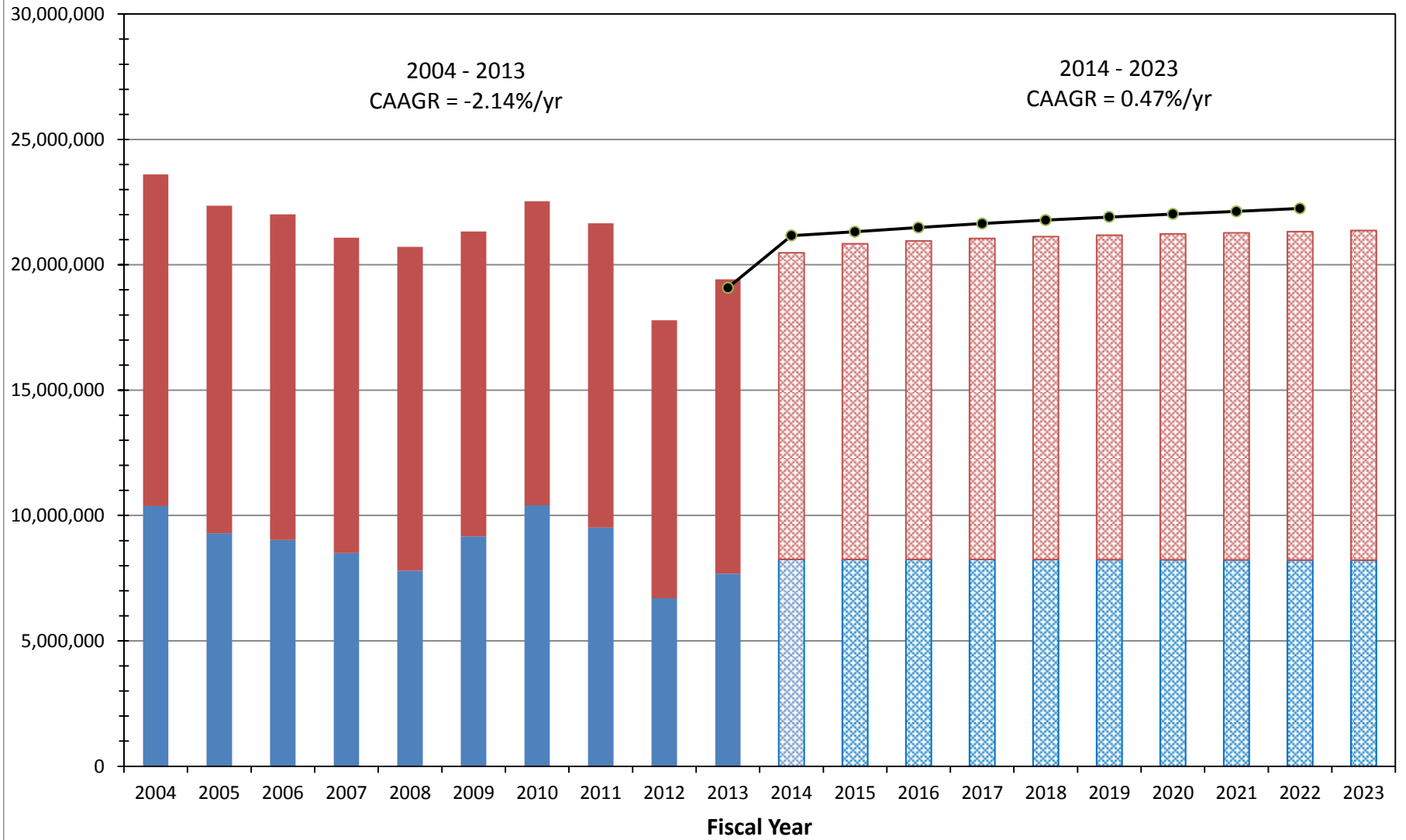
# Wastewater Customers

Residential Non-Residential 2014 Forecast



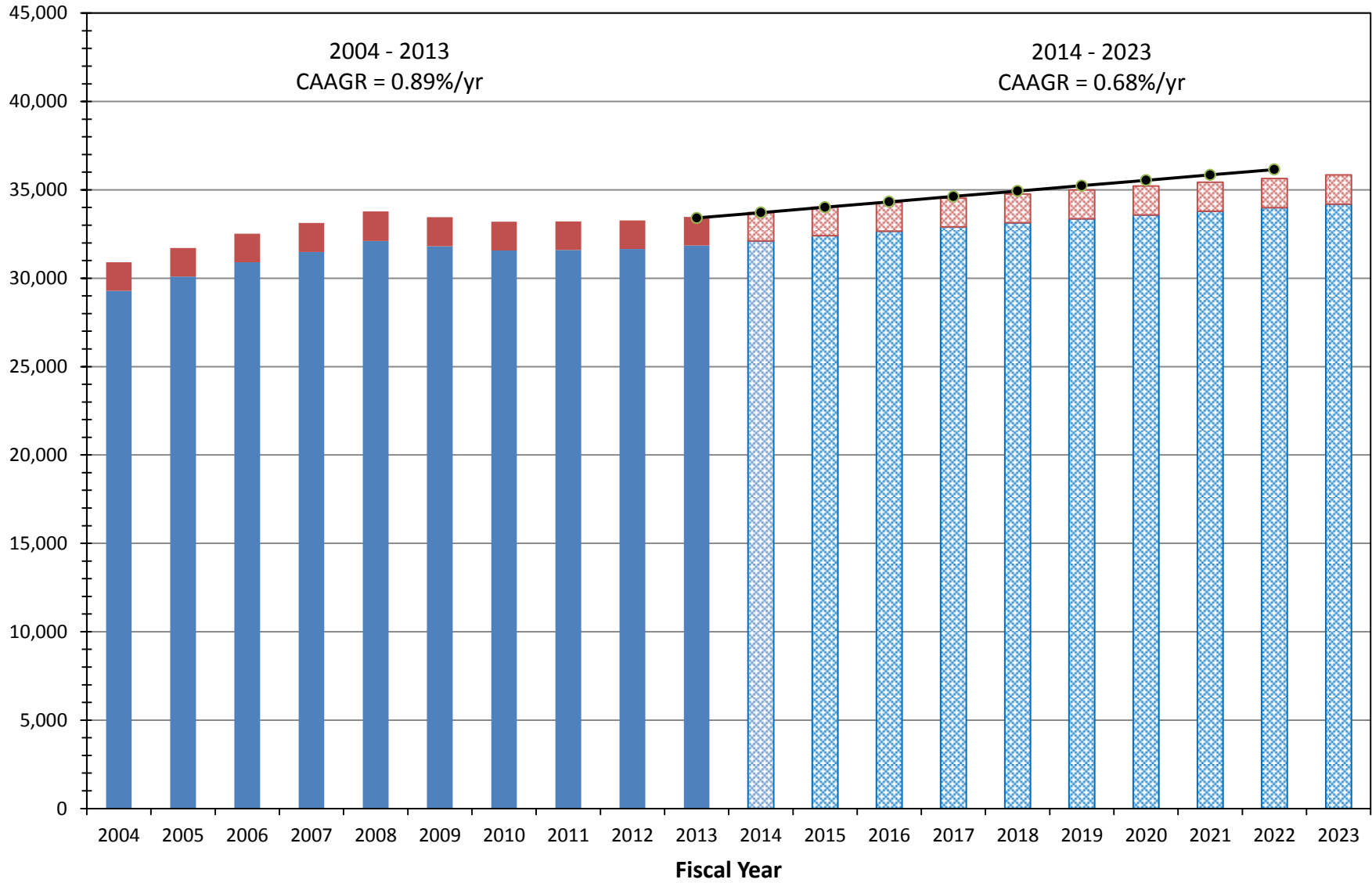
## Natural Gas Energy Sales Therms

■ Residential   
 ■ Non-Residential   
 —●— 2014 Forecast



# Natural Gas Customers

Residential Non-Residential 2014 Forecast



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