

UTILITY BOARD
OF THE
CITY OF KEY WEST, FLORIDA



BUDGET & FINANCIAL PLAN

FOR THE FISCAL YEARS BEGINNING OCTOBER 1, 2016
AND ENDING SEPTEMBER 30, 2021

PROPOSED BUDGET & FINANCIAL PLAN
FOR THE FISCAL YEARS BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2021

Table of Contents

<u>Page</u>	
1	Mission & Vision
2	Major Assumptions
3	Model Assumptions
4	Utility Indicators and Statistics
5	Revenue Fund Summary
6-7	Utility Monthly Billing Data
8	Utility Annual Billing Summary
9	Fund Balances
10	Payment to the City of Key West
11-12	O&M FERC Sort
13-29	O&M Plan
	Department 10 – Utility Board
	Department 11 – Executive (GM)
	Department 20 – Information Technology
	Department 21 – Communications & Marketing
	Department 22 – Management Services
	Department 23 – Finance
	Department 24 – Purchasing
	Department 25 – Facilities
	Department 30 – Engineering
	Department 31 – Control Center
	Department 32 – Risk Management
	Department 34 – Fleets
	Department 35 – Warehouse
	Department 40 – Customer Accounts
	Department 50 – Meters
	Department 60 – Transmission & Distribution
	Department 70 – Other Power Supply
30-31	Multi Year Capital Improvement Plan
32-33	Budget Policy
34-35	Capitalization Policy
36	Schedule of Board Travel



Mission

Provide safe, reliable energy with excellent customer service at the lowest reasonable cost

Vision

Enrich our customers' lives by providing energy services in a safe, reliable, affordable, sustainable manner while exploring new avenues to benefit our community

Values

Safety – Safety is number one in everything we do.

Relationships – We value our customers, our community and our workforce. We will treat everyone with respect, fairness and equality and foster open communications.

Integrity – We expect honest and ethical conduct from all employees, vendors and board members.

Simplicity – We will look for the most simple, efficient means to accomplish our goals.

Innovation – We will pursue new technology and ideas to improve our service.

Environment – We will take steps to care for the unique Florida Keys environment and our planet.

Goals & Strategies – 2017 & 2018

Goal #1 - Continually improve the Customer Experience regarding Reliability and Service. Manage our real properties and maximize their potential. Examine distributed generation rates

- Provide excellent customer service with effective policies and a well-trained, responsive staff
- Strengthen and extend the life of the transmission infrastructure
- Ensure the distribution system serves customers with minimal disruption
- Protect and maintain local generation to deliver reliable power to our community
- Foster a culture of regulatory compliance, and reduce regulatory risk

Goal #3 - Maintain a highly effective workforce and foster a positive working environment

- Develop and implement a plan regarding the aging workforce and pending retirements
- Develop training programs to have the right person in the right place at the right time
- Continue to foster a positive work environment that creates an "I'm proud to work at KEYS attitude"
- Cultivate a well employee by emphasizing the importance of health

Goal #2 - Provide the lowest reasonable rates to our customers in a challenging environment.

- Maintain a balanced budget process in the five year projections
- Control internal operating costs
- Manage and monitor FMPA's wholesale rates
- Maximize the use of FMPA member services

Goal #4 - Evaluate sustainability policies and practices for current and future needs

- Help our customers by educating and developing programs to conserve energy
- Evaluate use of renewables for Customers, Keys Energy Services and FMPA
- Evaluate KEYS sustainability operations then develop and implement a sustainability operations plan

Major Assumptions

Debt Service

FY17 - FY18 Debt Service is \$11.2M

FY19 - FY21 Debt Service is \$ 4.2M

- Debt Service Reserve Fund of \$4.1M remains intact for FY17-FY21
- No new borrowing projected FY17 – FY21

All 5 Years of the Financial Plan:

No change in Rates – except street and area lights based on recent Cost of Service study

Carry forward Funds from the Revenue Fund are transferred to the R&R Fund

Operate at a positive cash flow

Power Costs – Projected based upon FY15 and FY16 YTD actual cost

Rate Stabilization transfers are planned

Additional Transmission costs have been added in relation to the Leidos Study Recommendations [FY17-FY21 = \$5.3M-\$5.9M]



Model Assumptions

General Assumptions	2017	2018	2019	2020	2021
No Escalation	0.0%	0.0%	0.0%	0.0%	0.0%
General Inflation	2.0%	2.0%	2.0%	2.0%	2.0%
Salaries & Wages	3.25%	2.75%	2.75%	2.75%	2.75%
Benefits	0.0%	3.0%	3.0%	3.0%	3.0%
Insurance, pole attachments	5.0%	3.0%	3.0%	3.0%	3.0%
Power Plant	2.0%	2.0%	2.0%	2.0%	2.0%
Trans, distrib, cust exp	2.0%	2.0%	2.0%	2.0%	2.0%
Annual kWh Sales	744,050,000	744,140,000	744,140,000	744,140,000	744,140,000
Customer Growth Rate	0.0%	0.0%	0.0%	0.0%	0.0%
Rate Stabilization Fund Use (Deposit)	\$2,550,000	\$450,000	-\$1,500,000	\$1,500,000	-\$3,000,000
Open Slot					
Open Slot					
Open Slot					

Directly Linked General Assumptions	2017	2018	2019	2020	2021
Interest Rates - FSB	0.50%	0.50%	0.50%	0.50%	0.50%
Interest Rates - BBT & WF	0.50%	0.50%	0.50%	0.50%	0.50%
Interest Rates - Sawgrass	0.50%	0.50%	0.50%	0.50%	0.50%
Interest Rates - Debt Reserve	0.50%	0.50%	0.50%	0.50%	0.50%
FICA Rate	1.45%	1.45%	1.45%	1.45%	1.45%
Active Employee Admin Rate	17.0%	17.0%	17.0%	17.0%	17.0%
Pension	42.90%	42.90%	43.40%	43.90%	44.40%
Health & EAP Insurance (\$/Month)	\$849.87	\$875.37	\$901.63	\$928.68	\$956.54
Life Insurance (%)	0.0450%	0.0450%	0.0450%	0.0450%	0.0450%
ADD (%)	0.0035%	0.0035%	0.0035%	0.0035%	0.0035%
Salary Increase - U	3.25%	2.75%	2.75%	2.75%	2.75%
Salary Increase - M - COLA	3.25%	2.75%	2.75%	2.75%	2.75%
Salary Increase - M - Merit	0.00%	0.00%	0.00%	0.00%	0.00%
Month of Salary Increase - U	May	May	May	May	May
Month of Salary Increase - M - COLA	May	May	May	May	May
Month of Salary Increase - M - Merit	October	October	October	October	October
Management - Longevity (Years)					
5	0.25%	0.25%	0.25%	0.25%	0.25%
10	0.50%	0.50%	0.50%	0.50%	0.50%
20	0.75%	0.75%	0.75%	0.75%	0.75%
All - Base (Years)					
1	1,300	1,300	1,300	1,300	1,300
5	1,900	1,900	1,900	1,900	1,900
10	2,140	2,140	2,140	2,140	2,140
15	2,380	2,380	2,380	2,380	2,380
20	2,620	2,620	2,620	2,620	2,620
25	2,860	2,860	2,860	2,860	2,860
30	3,100	3,100	3,100	3,100	3,100
Financial Metric Goals					
Debt Service Coverage	1.25	1.25	1.25	1.25	1.25
Days Cash on Hand	90	90	90	90	90



Utility Indicators and Statistics

	Forecast 2017	Forecast 2018	Forecast 2019	Forecast 2020	Forecast 2021
Key Performance Indicators					
<i>Financial Metrics</i>					
Debt Service Coverage Ratio	1.42	1.33	3.12	3.75	2.30
Goal Debt Service Coverage Ratio (>)	1.25	1.25	1.25	1.25	1.25
Days Cash on Hand	96	96	96	96	96
Goal Days Cash on Hand (>)	90	90	90	90	90
Days Liquidity	101	97	115	98	134
Goal Days Liquidity (>)	1	1	1	1	1
<i>Operating Metrics</i>					
Customers	31,155	31,155	31,155	31,155	31,155
MWh Sales	744,140	744,140	744,140	744,140	744,140
System Average Rate (\$/kWh)	\$0.11555	\$0.11522	\$0.11616	\$0.11703	\$0.11807
Keys Energy O&M Cost/Cust/Month	\$79.25	\$76.00	\$78.03	\$80.72	\$81.96
Purchased Power Costs (\$/kWh)	\$0.06086	\$0.06054	\$0.06145	\$0.06231	\$0.06332
Debt Service Coverage Calculation					
Revenues Available for Debt Service:					
Sales of Electric Energy	85,988,794	85,741,868	86,437,097	87,089,340	87,858,996
Other Electric Revenues	1,399,888	1,402,473	1,655,110	1,907,799	1,910,542
Non-Operating Revenues	1,754,782	1,792,483	1,816,306	1,850,923	1,890,314
Transfer from (to) Rate Stabilization Fund	2,550,000	450,000	(1,500,000)	1,500,000	(3,000,000)
Total "Debt Service Coverage" Revenues	91,693,463	89,386,824	88,408,512	92,348,062	88,659,852
Less: Operation & Maintenance Expense	77,070,033	75,606,134	77,064,144	78,721,411	79,956,611
Add: OPEB					
Add: GASB 68					
Add: Capitalized Overhead	1,204,757	1,085,322	1,699,391	2,043,853	928,262
Net Revenues Available for Debt Service	15,828,187	14,866,012	13,043,758	15,670,504	9,631,503
Total Debt Service Requirement	11,152,888	11,152,888	4,182,888	4,182,888	4,187,138
Debt Service Coverage	1.42	1.33	3.12	3.75	2.30
Operating Fund Required Balance Calculation					
Total O&M Expenses & Transfers	88,910,637	89,226,344	89,582,776	90,406,229	91,115,756
Less: Gross Receipts Tax (GRT)	2,149,636	2,143,463	2,160,843	2,177,149	2,196,389
Subtotal	86,761,001	87,082,881	87,421,933	88,229,080	88,919,366
Less: Total Purchase Power Costs	45,291,412	45,050,199	45,729,310	46,366,433	47,118,246
Less: Transfers & Pymt to City of KW	11,840,604	13,620,210	12,518,632	11,684,818	11,159,145
Subtotal	29,628,985	28,412,472	29,173,991	30,177,830	30,641,975
90 days O&M	7,305,777	7,005,815	7,193,587	7,441,109	7,555,556
Reserve for Self Insurance Fund	500,000	500,000	500,000	500,000	500,000
Reserve for Litigation - Legal and Other	-	-	-	-	-
Calculated Reserve Requirement	7,805,777	7,505,815	7,693,587	7,941,109	8,055,556
Emergency Reserve Fund	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Operating Reserve Fund	5,002,729	5,805,777	5,505,815	5,693,587	5,941,109
Subtotal Amount Available	7,002,729	7,805,777	7,505,815	7,693,587	7,941,109
Amount in excess of requirement	(803,048)	299,962	(187,772)	(247,522)	(114,447)
Transfer to (from) Revenue Fund	(803,048)	299,962	(187,772)	(247,522)	(114,447)
Total Amount Available	7,805,777	7,505,815	7,693,587	7,941,109	8,055,556
Actual # of Days of O&M Coverage	96	96	96	96	⁴ 96



Revenue Fund Summary - \$

Item	Forecast 2017	Forecast 2018	Forecast 2019	Forecast 2020	Forecast 2021
Operating Statistics					
Annual Sales (kWh)	744,139,718	744,140,000	744,140,000	744,140,000	744,140,000
Change (%)	2.4%	0.0%	0.0%	0.0%	0.0%
Operating Revenues					
<i>Retail Rate Revenue by Rate Component</i>					
Customer Charge	6,570,404	6,570,404	6,570,404	6,570,404	6,570,404
Energy Charge	85,324,092	85,324,124	85,324,124	85,324,124	85,324,124
Demand Charge	6,157,948	6,157,950	6,157,950	6,157,950	6,157,950
Calculated/Actual Power Cost Adjustment (PCA)	(14,213,286)	(14,454,073)	(13,776,224)	(13,140,287)	(12,389,871)
True-Up of PCA	-	-	-	-	-
Gross Receipts Tax (GRT)	2,149,636	2,143,463	2,160,843	2,177,149	2,196,389
Subtotal Retail Rate Revenue by Rate Component	85,988,794	85,741,868	86,437,097	87,089,340	87,858,996
Other Operating Revenue	1,399,888	1,402,473	1,655,110	1,907,799	1,910,542
Total Operating Revenues	87,388,682	87,144,341	88,092,206	88,997,139	89,769,538
Non-Operating Revenues					
Interest Income	109,720	110,978	98,298	95,935	97,446
Other Non-Operating Revenue	1,645,062	1,681,505	1,718,008	1,754,989	1,792,867
Total Non-Operating Revenue	1,754,782	1,792,483	1,816,306	1,850,923	1,890,314
Total Revenues	89,143,463	88,936,824	89,908,512	90,848,062	91,659,852
<i>Expenses</i>					
Operating Expenses					
Purchased Power Costs	45,291,412	45,050,199	45,729,310	46,366,433	47,118,246
Other Power Supply	-	-	-	-	-
Transmission	7,707,414	6,764,965	7,097,733	7,185,569	7,319,189
Distribution	7,726,669	8,395,389	8,692,407	8,920,705	9,007,599
Customer	2,007,032	2,096,181	2,126,369	2,254,490	2,283,004
Admin & General	12,187,869	11,155,937	11,257,481	11,817,066	12,032,183
Taxes Other than Income Taxes	2,149,636	2,143,463	2,160,843	2,177,149	2,196,389
Total Operating Expenses	77,070,033	75,606,134	77,064,144	78,721,411	79,956,611
Debt Service					
Current Issue - Principal	1,491,821	1,391,242	2,300,000	2,415,000	2,540,000
Current Issue - Interest	9,661,067	9,761,646	1,882,888	1,767,888	1,647,138
Proposed Issue - Principal	0	0	0	0	0
Proposed Issue - Interest	0	0	0	0	0
Total Debt Service	11,152,888	11,152,888	4,182,888	4,182,888	4,187,138
Other Transfers					
To (from) Rate Stabilization Fund	(2,550,000)	(450,000)	1,500,000	(1,500,000)	3,000,000
To (from) Leave Payouts	236,982	319,100	332,794	183,450	52,037
To (from) R&R Fund	3,365,813	2,965,654	6,870,062	9,185,328	3,619,076
To (from) Steamplant Condo - Rental Payment	(116,052)	(118,373)	(120,741)	(123,155)	(125,619)
To (from) FMPA - TARP Payment, ends 1/2020	(670,000)	(670,000)	(670,000)	(670,000)	-
To (From) Operating Reserve Fund	803,048	(299,962)	187,772	247,522	114,447
Payment to the City of Key West	420,973	420,941	423,629	426,307	426,513
Total Transfers	1,490,765	2,167,360	8,523,516	7,749,452	7,086,454
Total Expenses	89,713,685	88,926,382	89,770,548	90,653,751	91,230,203
Over (Under) Recovery	(570,222)	10,442	137,964	194,311	429,650
Revenue Fund Beginning Balance	571,112	-	-	-	-
Carryforward funds from Prior Year	-	-	-	-	-
Revenue Fund Balance-Transferred to R&R Subsequent Yr	890	10,442	137,964	194,311	429,650

Notes:

\$455,000 for MCSB LED Ball field lights funded FY16, scheduled for FY17 payment & \$116,112 for 3rd year of prepaid Sheriff's Radio

The O&M above omits OPEB Expense since it's a non-cash item.

Revenue Fund is being transferred into R&R subsequent year.

Utility Monthly Billing Data

Fiscal Year	2017	2018	2019	2020	2021
Actual/Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Residential					
Customer Charge	\$15.03	\$15.03	\$15.03	\$15.03	\$15.03
Energy Charge	\$0.1220	\$0.1220	\$0.1220	\$0.1220	\$0.1220
Power Cost Adjustment	-\$0.0191	-\$0.0195	-\$0.0185	-\$0.0177	-\$0.0167
Gross Receipts Tax	2.5640%	2.5640%	2.5640%	2.5640%	2.5640%
Special Meter Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Senior Citizens					
Customer Charge	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50
Energy Charge	\$0.1220	\$0.1220	\$0.1220	\$0.1220	\$0.1220
Power Cost Adjustment	-\$0.0191	-\$0.0195	-\$0.0185	-\$0.0177	-\$0.0167
Gross Receipts Tax	2.5640%	2.5640%	2.5640%	2.5640%	2.5640%
Special Meter Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Small Commercial					
Customer Charge	\$28.31	\$28.31	\$28.31	\$28.31	\$28.31
Energy Charge	\$0.1224	\$0.1224	\$0.1224	\$0.1224	\$0.1224
Power Cost Adjustment	-\$0.0191	-\$0.0195	-\$0.0185	-\$0.0177	-\$0.0167
Gross Receipts Tax	2.5640%	2.5640%	2.5640%	2.5640%	2.5640%
Special Meter Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Recreation Lighting					
Customer Charge	\$21.07	\$21.07	\$21.07	\$21.07	\$21.07
Energy Charge	\$0.1543	\$0.1543	\$0.1543	\$0.1543	\$0.1543
Power Cost Adjustment	-\$0.0191	-\$0.0195	-\$0.0185	-\$0.0177	-\$0.0167
Gross Receipts Tax	2.5640%	2.5640%	2.5640%	2.5640%	2.5640%
Large Commercial Secondary					
Customer Charge	\$94.27	\$94.27	\$94.27	\$94.27	\$94.27
Energy Charge	\$0.1022	\$0.1022	\$0.1022	\$0.1022	\$0.1022
Demand Charge	\$8.45	\$8.45	\$8.45	\$8.45	\$8.45
Power Cost Adjustment	-\$0.0191	-\$0.0195	-\$0.0185	-\$0.0177	-\$0.0167
Gross Receipts Tax	2.5640%	2.5640%	2.5640%	2.5640%	2.5640%
Large Commercial Primary					
Customer Charge	\$175.74	\$175.74	\$175.74	\$175.74	\$175.74
Energy Charge	\$0.1041	\$0.1041	\$0.1041	\$0.1041	\$0.1041
Demand Charge	\$8.03	\$8.03	\$8.03	\$8.03	\$8.03
Power Cost Adjustment	-\$0.0191	-\$0.0195	-\$0.0185	-\$0.0177	-\$0.0167
Gross Receipts Tax	2.5640%	2.5640%	2.5640%	2.5640%	2.5640%
Military Service Secondary					
Customer Charge	\$1,809.00	\$1,809.00	\$1,809.00	\$1,809.00	\$1,809.00
Energy Charge	\$0.1035	\$0.1035	\$0.1035	\$0.1035	\$0.1035
Demand Charge	\$8.19	\$8.19	\$8.19	\$8.19	\$8.19
Power Cost Adjustment	-\$0.0191	-\$0.0195	-\$0.0185	-\$0.0177	-\$0.0167
Gross Receipts Tax	2.5640%	2.5640%	2.5640%	2.5640%	2.5640%
Churches					
Customer Charge	\$77.46	\$77.46	\$77.46	\$77.46	\$77.46
Energy Charge	\$0.1116	\$0.1116	\$0.1116	\$0.1116	\$0.1116
Demand Charge	\$2.39	\$2.39	\$2.39	\$2.39	\$2.39
Power Cost Adjustment	-\$0.0191	-\$0.0195	-\$0.0185	-\$0.0177	-\$0.0167
Gross Receipts Tax	2.5640%	2.5640%	2.5640%	2.5640%	2.5640%

Utility Monthly Billing Data

Fiscal Year	2017	2018	2019	2020	2021
Actual/Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Street Lighting					
Sodium Vapor 100 Watt	\$10.47	\$10.47	\$10.47	\$10.47	\$10.47
Sodium Vapor 200 Watt	\$13.89	\$13.89	\$13.89	\$13.89	\$13.89
Sodium Vapor 400 Watt	\$20.69	\$20.69	\$20.69	\$20.69	\$20.69
Sodium Vapor 400 Watt Cobra	\$20.69	\$20.69	\$20.69	\$20.69	\$20.69
Sodium Vapor 100 Watt Cutoff Optic	\$10.57	\$10.57	\$10.57	\$10.57	\$10.57
Sodium Vapor 200 Watt Cutoff Optic	\$13.95	\$13.95	\$13.95	\$13.95	\$13.95
Sodium Vapor 400 Watt Cutoff Optic	\$20.69	\$20.69	\$20.69	\$20.69	\$20.69
Mercury Vapor 175 Watt	\$13.07	\$13.07	\$13.07	\$13.07	\$13.07
LED Low Watt	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50
LED Medium Watt	\$13.89	\$13.89	\$13.89	\$13.89	\$13.89
LED High Watt	\$14.33	\$14.33	\$14.33	\$14.33	\$14.33
Power Cost Adjustment	-\$0.0096	-\$0.0097	-\$0.0093	-\$0.0088	-\$0.0083
Gross Receipts Tax	2.5640%	2.5640%	2.5640%	2.5640%	2.5640%
Area Lights					
Sodium Vapor 100 Watt (including Cobra)	\$10.65	\$10.65	\$10.65	\$10.65	\$10.65
Sodium Vapor 200 Watt (including Cobra)	\$13.94	\$13.94	\$13.94	\$13.94	\$13.94
Sodium Vapor 400 Watt (including Cobra)	\$20.32	\$20.32	\$20.32	\$20.32	\$20.32
Sodium Vapor 100 Watt Cutoff Optic	\$10.65	\$10.65	\$10.65	\$10.65	\$10.65
Sodium Vapor 200 Watt Cutoff Optic	\$13.94	\$13.94	\$13.94	\$13.94	\$13.94
Sodium Vapor 400 Watt Cutoff Optic	\$20.32	\$20.32	\$20.32	\$20.32	\$20.32
Mercury Vapor 175 Watt	\$13.12	\$13.12	\$13.12	\$13.12	\$13.12
Mercury Vapor 400 Watt	\$20.32	\$20.32	\$20.32	\$20.32	\$20.32
LED Low Watt	\$15.91	\$15.91	\$15.91	\$15.91	\$15.91
LED Medium Watt	\$16.29	\$16.29	\$16.29	\$16.29	\$16.29
LED High Watt	\$16.73	\$16.73	\$16.73	\$16.73	\$16.73
Power Cost Adjustment	-\$0.0096	-\$0.0097	-\$0.0093	-\$0.0088	-\$0.0083
Gross Receipts Tax	2.5640%	2.5640%	2.5640%	2.5640%	2.5640%

Utility Annual Billing Summary

Fiscal Year	2017	2018	2019	2020	2021
Actual/Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<u>kWh Sold</u>					
Residential	362,351,466	362,351,603	362,351,604	362,351,604	362,351,604
Senior Citizens	6,116,665	6,116,668	6,116,668	6,116,668	6,116,668
Small Commercial	76,141,353	76,141,382	76,141,382	76,141,382	76,141,382
Recreation Lighting	0	0	0	0	0
Large Commercial Secondary	227,634,339	227,634,425	227,634,425	227,634,425	227,634,425
Large Commercial Primary	16,091,156	16,091,163	16,091,163	16,091,163	16,091,163
Military Service Secondary	52,448,526	52,448,546	52,448,546	52,448,546	52,448,546
Churches	588,712	588,712	588,712	588,712	588,712
Street Lighting	1,990,884	1,990,884	1,990,884	1,990,884	1,990,884
Area Lights	776,616	776,616	776,616	776,616	776,616
Total	744,139,718	744,139,999	744,140,000	744,140,000	744,140,000
<u>Billed Demand (kW)</u>					
Large Commercial Secondary	574,330	574,330	574,330	574,330	574,330
Large Commercial Primary	33,287	33,287	33,287	33,287	33,287
Military Service Secondary	125,387	125,387	125,387	125,387	125,387
Churches	4,452	4,452	4,452	4,452	4,452
Total	737,456.3	737,456.6	737,456.6	737,456.6	737,456.6
<u>Number of Customers</u>					
Residential	24,897	24,897	24,897	24,897	24,897
Senior Citizens	610	610	610	610	610
Small Commercial	3,608	3,608	3,608	3,608	3,608
Recreation Lighting	0	0	0	0	0
Large Commercial Secondary	684	684	684	684	684
Large Commercial Primary	4	4	4	4	4
Military Service Secondary	13	13	13	13	13
Churches	12	12	12	12	12
Street Lighting	5	5	5	5	5
Area Lights	1,323	1,323	1,323	1,323	1,323
Total	31,155	31,155	31,155	31,155	31,155
<u>Special Meters</u>					
Residential	0	0	0	0	0
Senior Citizens	0	0	0	0	0
Small Commercial	0	0	0	0	0
Total	0	0	0	0	0



Fund Balances

Item	Forecast 2017	Forecast 2018	Forecast 2019	Forecast 2020	Forecast 2021
<u>Funds Summary</u>					
Restricted Funds:					
Bond Sinking Fund	10,158,594	10,158,594	3,188,594	3,246,094	3,310,719
Customer Deposits Fund	4,726,860	4,726,860	4,726,860	4,726,860	4,726,860
Debt Service Reserve Fund	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
Rate Stabilization Fund	450,000	-	1,500,000	-	3,000,000
Renewal and Replacement Fund	10,647	10,647	10,647	10,647	10,647
Total - Restricted Funds	21,418,833	20,968,833	15,498,833	14,056,333	17,120,958
Current Funds:					
Revenue Fund	890	10,442	137,964	194,311	429,650
Operating Reserve Fund	5,805,777	5,505,815	5,693,587	5,941,109	6,055,556
Total - Current Funds	5,806,667	5,516,257	5,831,550	6,135,420	6,485,205
Total - All Funds	27,225,500	26,485,090	21,330,384	20,191,753	23,606,164



Payment to the City of Key West

	Forecast	Forecast	Forecast	Forecast	Forecast
	2017	2018	2019	2020	2021
Gross Revenue from Sales of Electricity	87,388,682	87,144,341	88,092,206	88,997,139	89,769,538
Sales of Electricity (kWh)	744,139,718	744,139,999	744,140,000	744,140,000	744,140,000
Power Cost Rate in the Base Rate	0.0800	0.0800	0.0800	0.0800	0.0800
Total Power Cost in Base Electric Revenues	59,531,177	59,531,200	59,531,200	59,531,200	59,531,200
Power Cost Adjustment Revenue	(14,213,286)	(14,454,073)	(13,776,224)	(13,140,287)	(12,389,871)
Total Power Cost in Operating Revenues	45,291,412	45,050,199	45,729,310	46,366,433	47,118,246
Non-Power Related Revenues from Electricity	42,097,269	42,094,142	42,362,896	42,630,706	42,651,292
Rate - Article III, Section 3.03, B, (11)	1.0%	1.0%	1.0%	1.0%	1.0%
Payment to the City of Key West	420,973	420,941	423,629	426,307	426,513
Minimum Amount	325,310	335,069	345,122	355,475	366,139
Consumer Price Index	1.03	1.03	1.03	1.03	1.03
Total Adjusted Minimum Amount	335,069	345,122	355,475	366,139	377,124
Difference	85,903	75,820	68,154	60,168	49,389
Total to the City of Key West, FL	420,973	420,941	423,629	426,307	426,513
Increase (decrease) verses prior year	1.4%	0.0%	0.6%	0.6%	0.0%



O&M FERC Sort

FERC Code	Description	Forecast 2017	Forecast 2018	Forecast 2019	Forecast 2020	Forecast 2021
Total Other Power Supply						
Diesel Operation Expense:						
546	Supervision and Engineering	-	-	-	-	-
547	Fuel Costs	-	-	-	-	-
549	Other Supplies and Expenses	-	-	-	-	-
550.1	Operation Supplies and Expenses	-	-	-	-	-
Total Diesel Operation Expenses		-	-	-	-	-
Diesel Power Production Expenses (Maintenance):						
551	Maintenance Supervision and Engineering	-	-	-	-	-
554.1	Maintenance of Plant	-	-	-	-	-
Total Diesel Maintenance Expenses		-	-	-	-	-
Total Other Power Supply		-	-	-	-	-
Increase (decrease) from prior year		0%	0%	0%	0%	0%
Purchased Power Costs						
555	FMPA ARP-Customer Charge	16,140	16,140	16,140	16,140	16,140
555	FMPA ARP- Demand Charge	29,921,227	27,971,311	28,390,880	28,764,568	29,248,995
555	FMPA ARP-Energy Charge	15,594,090	17,302,793	17,562,335	17,825,770	18,093,157
555	FMPA Load Rentention Credit	(240,045)	(240,045)	(240,045)	(240,045)	(240,045)
Total Purchased Power Costs		45,291,412	45,050,199	45,729,310	46,366,433	47,118,246
Increase (decrease) from prior year		-10%	-1%	2%	1%	2%
Transmission						
PP Transmission:						
560.5	FMPA - Transmission (PP)	3,456,924	3,630,410	3,684,866	3,733,367	3,796,242
574.5	FKEC - Transmission	1,500,000	1,299,000	1,324,980	1,351,480	1,378,509
Total PP Transmission		4,956,924	4,929,410	5,009,846	5,084,847	5,174,751
Transmission Expenses (Operation):						
560	Supervision and Engineering	1,570,766	1,617,240	1,666,673	1,721,553	1,767,254
567	Supplies and Expenses	-	-	-	-	-
568	Operation of Synchronous Condenser	-	-	-	-	-
Total Transmission Operation Expenses		1,570,766	1,617,240	1,666,673	1,721,553	1,767,254
Transmission Expenses (Maintenance):						
571	Maintenance Of Overhead Lines	-	-	-	-	-
573	Maintenance of Synchronous Condenser	-	-	-	-	-
574	Maintenance of Transmission Plant	1,179,724	218,315	421,213	379,169	377,185
Total Transmission Maintenance Expenses		1,179,724	218,315	421,213	379,169	377,185
Total Transmission Expenses		7,707,414	6,764,965	7,097,733	7,185,569	7,319,189
Increase (decrease) from prior year		15%	-12%	5%	1%	2%
Distribution						
Distribution Expenses (Operation):						
580	Operation Supervision and Engineering	6,478,875	7,014,917	7,188,774	7,443,415	7,706,148
581	Lines and Station	8,500	8,590	208,682	208,775	8,871
582	Street Lighting	-	-	-	-	-
585	Signal Lighting	73,387	74,836	76,313	77,820	79,358
586	Meter Reading	-	-	-	-	-
588	Miscellaneous Distribution	-	-	-	-	-
Total Distribution Operation expenses		6,560,761	7,098,343	7,473,769	7,730,011	7,794,376



O&M FERC Sort

FERC Code	Description	Forecast 2017	Forecast 2018	Forecast 2019	Forecast 2020	Forecast 2021
Distribution Expenses (Maintenance):						
592.1	Structures and equipment	214,135	325,500	226,892	178,312	179,760
594	Lines	791,554	808,124	825,055	842,357	860,037
595	Line Transformers	145,719	148,633	151,606	154,638	157,730
596	Street Lighting and Signals	-	-	-	-	-
597	Meters	14,500	14,790	15,086	15,388	15,695
598	Miscellaneous Distribution	-	-	-	-	-
Total Distribution Maintenance Expenses		1,165,908	1,297,046	1,218,638	1,190,694	1,213,223
Total Distribution Expense		7,726,669	8,395,389	8,692,407	8,920,705	9,007,599
Increase (decrease) from prior year		6%	9%	4%	3%	1%
Customer Accounts Expenses:						
731.3	Customer Deposit Interest Expense	13,000	13,260	13,525	13,796	14,072
902	Meter Reading	2,000	2,040	2,081	2,122	2,165
903	Customer Records And Collection	1,837,027	1,893,796	1,951,557	2,017,201	2,073,189
904	Uncollectible Accounts	90,905	92,703	94,537	96,408	98,316
Total Customer Expense:		1,942,932	2,001,799	2,061,700	2,129,527	2,187,741
906	Customer Service And Information Expense	64,100	94,382	64,670	124,963	95,262
Total Customer Expense		2,007,032	2,096,181	2,126,369	2,254,490	2,283,004
Increase (decrease) from prior year		3%	4%	1%	6%	1%
Administration And General Expenses (Operation):						
920	Administrative And General Salaries	2,212,940	2,146,171	2,168,442	2,236,363	2,290,802
921	Office Expense and Utilities	715,434	628,772	615,715	625,376	635,231
923	Outside Services Employed	2,744,879	1,772,947	1,747,434	1,735,339	1,822,357
924	Property Insurance	490,093	504,796	519,940	535,538	551,604
925	Injuries And Damages	296,780	262,693	266,853	275,098	283,606
926	Employee Benefits-includes Retiree Health Ins	6,186,682	6,384,292	6,512,521	6,759,113	6,965,860
926.2	Employee Pension Contributions	1,349,278	1,320,835	1,356,956	1,415,519	1,465,624
930	General Advertising	196,206	201,030	197,911	201,539	205,240
930.2	Miscellaneous General	1,800	1,836	1,873	1,910	1,948
931	Copier Rental	33,293	33,959	34,638	35,331	36,037
933	Transportation	662,986	876,267	871,034	889,529	928,389
Total Administration And General Operation Expenses:		14,890,371	14,133,598	14,293,316	14,710,655	15,186,699
935	Administration And General Expenses (Maintenance)	451,893	241,696	248,109	455,522	261,403
708	Gross Receipts Tax	2,149,636	2,143,463	2,160,843	2,177,149	2,196,389
708.3	Payroll Tax	45,605	44,644	45,336	46,754	47,864
Total A&G Expenses		17,537,505	16,563,400	16,747,604	17,390,080	17,692,355
Increase (decrease) from prior year		8%	-6%	1%	4%	2%
Other Income/Expenses:						
421.2	Loss on disposition of property	-	-	-	-	-
Total Expenses		80,270,033	78,870,134	80,393,424	82,117,277	83,420,394
Increase (decrease) from prior year		-2%	-2%	2%	2%	2%



O&M Plan
Department 10 (Utility Board)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast	Forecast	Forecast	Forecast	Forecast
					2017	2018	2019	2020	2021
10	920101	10		Utility Board Member Wages	108,116	111,089	114,144	117,283	120,509
				Subtotal #10 Labor-Regular	108,116	111,089	114,144	117,283	120,509
10	923300	50		Legal Services	10,300	10,506	10,716	10,930	11,149
10	923300	50	35101	Legal Services-Special Counsel-N. Eden	118,000	120,222	122,488	124,800	127,158
10	923300	50	35112	Legal Services-Construction/SG Penney	50,000	-	-	-	-
10	923300	50	39200	Legal Services-US Navy	25,000	-	-	-	-
10	930020	50		General Advertising	2,500	2,550	2,601	2,653	2,706
				Subtotal #50 Outside Services	205,800	133,278	135,805	138,383	141,013
10	708300	60		Fica Tax	1,568	1,611	1,655	1,701	1,747
10	926100	60		Employee Insurance	52,847	54,301	55,794	57,328	58,905
10	926200	60		Pension Contribution	46,382	47,657	49,539	51,487	53,506
				Subtotal #60 Employee Benefits	100,797	103,569	106,988	110,516	114,158
10	921110	90		Travel [UB and Attorney]	50,815	51,831	52,868	53,925	55,004
10	921305	90		Postage Freight & Delivery	200	204	208	212	216
10	921306	90		General Office Supplies	1,000	1,020	1,040	1,061	1,082
10	921315	90		Local Community Event Charges	1,000	1,020	1,040	1,061	1,082
				Subtotal #90 Other Expenses	53,015	54,075	55,157	56,260	57,385
Department 10 Totals:					\$467,728	\$402,012	\$412,094	\$422,443	\$433,065



O&M Plan
Department 11 (Executive)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast 2017	Forecast 2018	Forecast 2019	Forecast 2020	Forecast 2021
11	920150	10		Longevity	10,193	10,069	7,039	7,336	7,379
11	920200	10		General Office Wages	277,603	237,846	219,630	226,531	231,876
11	926300	10		Authorized Leave	56,858	48,715	44,985	46,398	47,493
				Subtotal #10 Labor-Regular	344,654	296,630	271,654	280,265	286,748
11	923105	50	27101	Consulting Services	30,000	-	-	-	-
11	923105	50	27105	Consulting Services	11,375	-	-	-	-
11	923105	50	27120	Consulting - Employee survey	3,000	3,000	3,000	3,000	3,000
11	923105	50	27131	Consulting Services	25,000	-	-	-	-
11	923105	50	27135	Consulting Services	3,500	3,500	3,500	3,500	3,500
11	923105	50	27139	Consulting Serv - Motivational Speaker	7,500	7,500	-	-	-
11	923105	50	50300	CONSULTING SERVICES	100,000	3,500	3,570	3,641	3,714
11	923106	50		Advisory Committee	1,200	1,224	1,248	1,273	1,299
11	923300	50	27105	Legal Services	15,000	-	-	-	-
11	923300	50	35113	Legal Services - Land Use	10,000	15,000	-	-	-
				Subtotal #50 Outside Services	206,575	33,724	11,318	11,415	11,513
11	708300	60		Fica Tax	4,850	4,155	3,837	3,957	4,051
11	923108	60		Employee Relations	6,763	6,898	7,036	7,177	7,320
11	926100	60		Employee Insurance	32,542	25,176	23,179	23,877	24,583
11	926127	60		Training Expense	10,000	10,000	10,000	10,000	10,000
11	926200	60		Pension Contribution	143,484	122,935	114,843	119,816	124,040
11	926203	60		401A Defined Contribution	10,708	11,003	11,305	11,616	11,935
				Subtotal #60 Employee Benefits	208,346	180,166	170,200	176,443	181,929
11	921110	90		Travel	15,606	15,918	16,236	16,561	16,892
11	921300	90		Dues & Subscriptions	2,000	2,040	2,081	2,122	2,165
11	921301	90		Dues FMEA	36,000	36,000	36,000	36,000	36,000
11	921305	90		Postage Freight & Delivery	106	108	110	113	115
11	921306	90		General Office Supplies	3,000	3,060	3,121	3,184	3,247
11	921311	90		Meals	3,500	3,570	3,641	3,714	3,789
11	921315	90		Local Community Event Charges	200	204	208	212	216
				Subtotal #90 Other Expenses	60,412	60,900	61,398	61,906	62,424
Department 11 Totals:					\$819,988	\$571,420	\$514,571	\$530,028	\$542,615



O&M Plan
Department 20 (IT)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast	Forecast	Forecast	Forecast	Forecast
					2017	2018	2019	2020	2021
20	920150	10		Longevity	11,466	12,236	12,291	12,596	14,070
20	920200	10		General Office Wages	363,931	374,981	385,293	397,399	406,776
20	926300	10		Authorized Leave	74,540	76,803	78,916	81,395	83,316
				Subtotal #10 Labor-Regular	449,937	464,020	476,500	491,390	504,161
20	920202	20		General Office OT	1,000	1,028	1,056	1,085	1,115
				Subtotal #20 Labor-Overtime	1,000	1,028	1,056	1,085	1,115
20	921030	45		Computer Parts	20,000	20,400	20,808	21,224	21,649
20	921031	45		Computer Equipment	70,000	70,000	70,000	70,000	70,000
				Subtotal #45 Materials from Vendor	90,000	90,400	90,808	91,224	91,649
20	921057	50		Telephone Switch Maintenance	26,641	27,174	27,718	28,272	28,837
20	923140	50	27007	Computer Services-Disaster Recovery Services	27,408	27,957	28,516	29,086	29,668
20	923203	50		Special/Outside Services	43,202	30,806	31,422	32,051	32,692
20	923290	50		Telephone Equipment	1,000	1,020	1,040	1,061	1,082
20	923325	50		Hardware Maintenance	60,000	72,060	73,501	74,971	76,471
20	923350	50		Maintenance and Upgrades	60,000	61,200	62,424	63,672	64,946
20	923400	50		Software Licenses	70,000	58,077	59,238	60,423	61,632
20	923400	50	42201	Software Licenses-Office System	38,203	38,967	39,746	40,541	41,352
20	923425	50		Software Maintenance	360,000	367,200	374,544	382,035	389,676
				Subtotal #50 Outside Services	686,455	684,461	698,150	712,113	726,355
20	708300	60		Fica Tax	6,358	6,551	6,731	6,943	7,106
20	926110	60		EMPLOYEE SUPPLIES	1,500	1,500	1,500	1,500	1,500
20	926100	60		Employee Insurance	53,544	55,151	56,799	58,507	60,245
20	926127	60		Training Expense	15,000	1,500	1,500	1,500	1,500
20	926200	60		Pension Contribution	188,104	193,816	201,467	210,191	217,601
				Subtotal #60 Employee Benefits	264,506	258,518	267,997	278,640	287,951
20	921051	90		Telephone Expense	728	743	758	773	788
20	921052	90		Telephone Local Company	115,000	117,300	119,646	122,039	124,480
20	921054	90		Telephone Mobile Local Company	15,000	15,300	15,606	15,918	16,236
20	921054	90	27009	Telephone Mobile Local Company-Wireless	8,000	8,160	8,323	8,490	8,659
20	921056	90		Telephone Supplies	1,665	1,698	1,732	1,767	1,802
20	921075	90		Satellite Phone Service	5,202	5,306	5,412	5,520	5,631
20	921305	90		Postage Freight & Delivery	683	697	711	725	740
20	921306	90		General Office Supplies	1,715	1,749	1,784	1,820	1,856
20	921311	90		Meals	212	216	221	225	230
20	931020	90		Copier Rental	33,293	33,959	34,638	35,331	36,037
				Subtotal Unassigned Account	181,498	185,128	188,830	192,607	196,459
Department 20 Totals:					1,673,395	1,683,555	1,723,341	1,767,060	1,807,690



O&M Plan
Department 21 (Marketing)

Dept.	FERC	Expense	Activity		Forecast	Forecast	Forecast	Forecast	Forecast
#	Number	Type	Code	Account Name	2017	2018	2019	2020	2021
Subtotal #10 Labor-Regular					-	-	-	-	-
21	920232	20		Community Event OT (Reg Labor in 22)	5,792	5,952	6,115	6,283	6,456
Subtotal #20 Labor-Overtime					5,792	5,952	6,115	6,283	6,456
21	906010	50	27201	Conservation Program -Trees	-	30,000	-	30,000	-
21	906013	50	27201	Conservation Program Calendar Printing	14,100	14,382	14,670	14,963	15,262
21	906100	50		Green Power Expense	-	-	-	30,000	30,000
21	923120	50		Sponsorships	10,000	10,000	10,000	10,000	10,000
21	923120	50	27201	Sponsorships Go Green	5,000	5,000	5,000	5,000	5,000
21	923120	50	27202	SPONSORSHIPS - MCSB Ballfield Lights	455,000	-	-	-	-
21	923120	50	42500	Sponsorships-Kid's Show	2,000	2,000	2,000	2,000	2,000
21	923140	50	27000	Computer Services-Web Hosting	624	637	649	662	676
21	923140	50	27004	Computer Services -Enhance Website	4,000	4,000	4,000	4,000	4,000
21	923190	50		Video Production Services	-	6,500	-	-	-
21	930020	50		General Advertising	5,000	5,100	5,202	5,306	5,412
21	930020	50	25200	General Advertising-Telephone	16,500	16,500	16,500	16,500	16,500
21	930020	50	25201	General Advertising-Radio	87,000	88,740	90,515	92,325	94,172
21	930020	50	25202	General Advertising-Print	30,000	30,000	30,000	30,600	31,212
21	930020	50	25209	General Advertising-Design Services	3,500	5,500	4,500	4,590	4,682
21	930020	50	25214	Green Education	5,000	5,000	-	-	-
Subtotal #50 Outside Services					637,724	223,359	183,036	245,947	218,916
21	926110	60		Employee Supplies	3,000	3,060	3,121	3,184	3,247
21	926115	60	50101	Employee Morale-Awards Dinner	5,600	5,712	5,826	5,943	6,062
21	926115	60	50102	Employee Morale-Thanksgiving Lunch	2,022	2,063	2,104	2,146	2,189
Subtotal #60 Employee Benefits					10,622	10,835	11,051	11,272	11,498
21	921110	90		Travel	6,000	6,000	6,000	6,000	6,000
21	921300	90		Dues & Subscriptions	1,000	1,020	1,040	1,061	1,082
21	921305	90		Postage Freight & Delivery	53	54	55	56	57
21	921306	90		General Office Supplies	525	536	547	557	569
21	921315	90		Local Community Event Charges	849	866	883	901	919
21	921405	90		Local Community Event Supplies	-	21,500	1,500	1,530	1,561
Subtotal Unassigned Account					8,427	29,976	10,025	10,106	10,188
Department 21 Totals:					\$662,566	\$270,121	\$210,228	\$273,608	\$247,057



O&M Plan
Department 22 (HR)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast	Forecast	Forecast	Forecast	Forecast
					2017	2018	2019	2020	2021
22	920150	10		Longevity	13,146	13,615	13,908	14,619	14,912
22	920200	10		General Office Wages	313,638	323,162	332,049	342,482	350,562
22	926115	10	50007	Employee Quarter Awards	1,300	1,300	1,300	1,300	1,300
22	926116	10		Training Bonus	1,200	1,200	1,224	1,248	1,273
22	926300	10		Authorized Leave	64,239	66,190	68,010	70,147	71,802
				Subtotal #10 Labor-Regular	393,523	405,466	416,491	429,796	439,850
22	920202	20		General Office OT	800	816	832	849	866
				Subtotal #20 Labor-Overtime	800	816	832	849	866
22	935399	40		Janitorial Supplies from Warehouse	8,000	8,160	8,323	8,490	8,659
				Subtotal #40 Materials from Stock	8,000	8,160	8,323	8,490	8,659
22	935399	45		Janitorial Supplies External	520	531	541	552	563
				Subtotal #45 Materials from Vendor	520	531	541	552	563
22	923105	50	27100	Consulting Services-Negotiations	-	25,000	-	-	-
22	923105	50	27111	Consulting Services-Comp & Performance study	-	20,000	5,000	5,000	5,000
22	923105	50	27123	Consulting Services-Benefit Renewal	60,000	61,200	62,424	63,672	64,946
22	923300	50	35100	Legal Services- Paul Ryder (general)	13,000	13,260	13,525	13,796	14,072
22	923300	50	35116	Legal Services-Negotiations/Paul Ryder	-	15,000	-	-	15,000
22	923300	50	35117	Legal Services-Special Magistrate Services - Impasse	-	3,000	-	-	-
22	923405	50		Records Management	25,000	20,000	20,000	20,000	20,000
22	930020	50		General Advertising	1,000	1,020	1,040	1,061	1,082
				Subtotal #50 Outside Services	99,000	158,480	101,990	103,529	120,100
22	708300	60		Fica Tax	5,479	5,646	5,801	5,983	6,124
22	926099	60		ACA/PCORI Fees (Health Ins fees)	840	865	891	918	945
22	926100	60		Employee Insurance	53,191	54,788	56,426	58,122	59,850
22	926101	60		Employee Physicals & Drug Test	6,900	7,038	7,179	7,322	7,469
22	926102	60		Employee Hurricane Supplies	1,500	1,530	1,561	1,592	1,624
22	926105	60		Retiree Insurance	1,437,980	1,638,379	1,731,649	1,851,762	1,964,534
22	926107	60		Applicant Background Search	2,500	2,500	2,500	2,500	2,500
22	926108	60		Employee Flu Shots	2,500	2,550	2,601	2,653	2,706
22	926109	60		Employee Reimb Plan Charges	5,618	5,731	5,845	5,962	6,081
22	926110	60		Employee Supplies	1,000	1,000	1,000	1,000	1,000
22	926111	60		Employee Assistance Program	6,367	6,494	6,624	6,757	6,892
22	926112	60		Long Term Disability Insurance	31,212	31,836	32,473	33,122	33,785
22	926115	60		EMPLOYEE MORALE/WELLNESS	35,900	25,258	25,623	25,996	26,376
22	926115	60	50100	Employee Morale-Fitness Centers	3,000	3,000	3,060	3,121	3,184
22	926115	60	50104	Employee Morale-Service Awards	3,500	5,500	5,800	5,000	5,000
22	926115	60	50108	Retirement Recognitions	5,000	15,000	15,000	15,000	15,000
22	926115	60	50300	Strategic Planning	-	500	-	500	500
22	926124	60		SPECIAL SEMINARS	-	15,000	-	-	-
22	926124	60	50200	Special Seminars-Yeager	-	7,500	-	7,500	-
22	926127	60		Training Expenses	19,279	20,000	20,000	20,000	20,000
22	926128	60		Education Reimbursement - Non Degree	500	510	520	531	541
22	926129	60		Education Degree Seeking	11,425	-	-	-	-
22	926151	60		Customer Service Training	25,000	25,000	25,000	25,000	25,000
22	926200	60		Pension Contribution	162,109	167,032	173,625	181,144	187,530
				Subtotal #60 Employee Benefits	1,820,801	2,042,657	2,123,178	2,261,485	2,376,641
22	921065	90		Postal Machine	8,751	8,751	8,751	8,751	8,751
22	921110	90		Travel	1,500	1,500	1,500	1,500	1,500
22	921300	90		Dues & Subscriptions	2,653	2,706	2,760	2,815	2,872
22	921304	90		Postage Meter Fill	30,000	30,600	31,212	31,836	32,473
22	921305	90		Postage Freight & Delivery	850	867	884	902	920
22	921306	90		General Office Supplies	2,653	2,706	2,760	2,815	2,872
22	921307	90		Supplies for Postage Machine	1,408	1,436	1,465	1,494	1,524
22	921310	90		Stationery & Printing	450	459	468	478	487
22	921311	90		Meals & Mileage	200	204	208	212	216
22	921320	90		Hosting Association Meetings	250	255	260	265	271
				Subtotal #90 Other Expenses	48,715	49,485	50,269	51,070	51,886
Department 22 Totals:					\$2,371,359	\$2,665,594	\$2,701,624	\$2,855,770	\$2,998,565



O&M Plan
Department 23 (Finance)

Dept.	FERC	Expense	Activity	Forecast	Forecast	Forecast	Forecast	Forecast	
#	Number	Type	Code	Account Name	2017	2018	2019	2020	2021
23	920150	10		Longevity	22,457	23,820	21,210	22,332	23,704
23	920200	10		General Office Wages	676,764	611,460	622,394	641,950	657,097
23	926300	10		Authorized Leave	138,614	125,239	127,478	131,484	134,586
				Subtotal #10 Labor-Regular	837,835	760,519	771,082	795,766	815,387
23	920202	20		General Office OT	527	541	556	571	587
				Subtotal #20 Labor-Overtime	527	541	556	571	587
23	923105	50		CONSULTING SERVICES	100,000	7,650	7,803	7,959	8,118
23	923105	50	27102	CONSULTING SERVICES-QUINQUENNIAL	35,000	-	-	-	-
23	923205	50		Bank Services-ACA Transactions	66,300	67,626	68,979	70,358	70,358
23	923210	50	25000	Accounting Services-Auditing Keys	56,100	57,222	58,366	59,534	59,534
23	923210	50	25001	Accounting Services-Auditing Pension	17,500	17,850	18,207	18,571	18,943
23	923218	50		Bill Processing-Outsourcing (includes postage)	155,000	158,100	161,262	164,487	167,777
23	923220	50		Investment Services (Sawgrass + BONY fees)	52,600	53,652	54,725	55,820	56,936
23	923247	50	39000	Payroll Services-Regular Employees	32,025	32,025	32,025	32,025	32,025
23	923247	50	39001	Payroll Services-Board Members	2,520	2,520	2,520	2,520	2,520
23	923247	50	39002	Payroll Services-Pension	8,820	8,820	8,820	8,820	8,820
23	923247	50	39003	Payroll Services-HR Perspective	26,250	26,250	26,250	26,250	26,250
23	923247	50	39004	Payroll Services-Time Clock Rental	9,975	9,975	9,975	9,975	9,975
23	923247	50	39005	Payroll Services-Essential ACA	7,245	7,245	7,245	7,245	7,245
23	923300	50		Legal Services	-	5,202	5,306	5,412	5,412
23	923360	50	25101	Actuarial Services-Unfunded Liability OPEB	-	6,500	-	6,900	-
23	930101	50		Bond Registrar & Fees	20,500	20,910	21,328	21,755	22,190
				Subtotal #50 Outside Services	589,835	481,547	482,811	497,631	496,103
23	708300	60		Fica Tax	11,823	10,682	10,873	11,215	11,479
23	926100	60		Employee Insurance	106,730	101,423	101,740	104,798	107,914
23	926127	60		Training Expenses	5,000	5,100	5,202	5,306	5,412
23	926200	60		Pension Contribution	349,797	316,044	325,445	339,537	351,507
23	926201	60		OPEB EXPENSE	3,200,000	3,264,000	3,329,280	3,395,866	3,463,783
				Subtotal #60 Employee Benefits	3,673,350	3,697,249	3,772,540	3,856,722	3,940,095
23	708000	90		Gross Receipts	2,149,636	2,143,463	2,160,843	2,177,149	2,196,389
23	731300	90		Customer Deposit Interest Expense	13,000	13,260	13,525	13,796	14,072
23	903350	90		Billing Forms	1,200	1,224	1,248	1,273	1,299
23	921110	90		Travel	3,500	3,570	3,641	3,714	3,789
23	921300	90		Dues & Subscriptions	1,200	1,224	1,248	1,273	1,299
23	921306	90		General Office Supplies	10,200	10,404	10,612	10,824	11,041
23	921310	90		Stationery & Printing	500	510	520	531	541
23	921311	90		Meals & Mileage	1,500	1,530	1,561	1,592	1,624
23	930050	90		PSC Regulatory Fees	19,484	19,874	20,271	20,677	21,090
				Subtotal #90 Other Expenses	2,200,220	2,195,059	2,213,471	2,230,829	2,251,143
Department 23 Totals:					\$7,301,767	\$7,134,915	\$7,240,460	\$7,381,519	\$7,503,315



O&M Plan
Department 24 (Purchasing)

Dept.	FERC	Expense	Activity	Forecast	Forecast	Forecast	Forecast	Forecast	
#	Number	Type	Code	Account Name	2017	2018	2019	2020	2021
24	920150	10		Longevity	7,711	7,732	8,592	8,855	8,873
24	920200	10		General Office Wages	190,724	196,515	201,919	208,263	213,177
24	926300	10		Authorized Leave	39,064	40,250	41,357	42,656	43,663
				Subtotal #10 Labor-Regular	237,499	244,497	251,868	259,775	265,713
24	920202	20		General Office OT	250	250	250	250	250
				Subtotal #20 Labor-Overtime	250	250	250	250	250
24	921120	50		FREIGHT & TAX	29	29	29	29	29
24	923240	50	27302	Disposal Services - Surplus	106	108	110	113	115
24	923422	50	39000	Purchasing Services-Joint Purch FMPA	265	271	276	281	287
24	923422	50	39305	Purchasing Services-Aursi Project	8,012	8,172	8,336	8,503	8,673
24	930020	50		General Advertising	5,722	5,837	5,953	6,072	6,194
				Subtotal #50 Outside Services	14,135	14,417	14,704	14,998	15,297
24	708300	60		Fica Tax	3,332	3,433	3,528	3,638	3,724
24	926100	60		Employee Insurance	31,933	32,891	33,874	34,893	35,930
24	926110	60		Employee Supplies	424	433	441	450	459
24	926200	60		Pension Contribution	98,579	101,572	105,582	110,154	114,037
				Subtotal #60 Employee Benefits	134,268	138,329	143,425	149,135	154,151
24	921110	90		Travel	1,500	1,530	1,561	1,592	1,624
24	921300	90		Dues & Subscriptions	2,701	2,701	2,735	2,770	2,805
24	921305	90		Postage Freight & Delivery	364	371	379	386	394
24	921306	90		General Office Supplies	2,601	2,653	2,706	2,760	2,815
				Subtotal Unassigned Account	7,166	7,256	7,381	7,509	7,639
Department 24 Totals:					\$393,317	\$404,749	\$417,629	\$431,666	\$443,050



O&M Plan
Department 25 (Facilities)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast	Forecast	Forecast	Forecast	Forecast
					2017	2018	2019	2020	2021
25	920150	10		Longevity	9,040	9,040	9,040	9,280	9,280
25	926300	10		Authorized Leave	40,845	42,085	43,243	44,602	45,654
25	935391	10		Maintenance of General Plant Wages	199,421	205,476	211,127	217,760	222,898
				Subtotal #10 Labor-Regular	249,306	256,602	263,410	271,642	277,832
25	935002	20		Maintenance of Structures OT	5,000	5,138	5,279	5,424	5,573
				Subtotal #20 Labor-Overtime	5,000	5,138	5,279	5,424	5,573
25	592100	40		Maintenance Station Equipment Materials-Distribution	2,653	2,706	2,760	2,815	2,872
25	935200	40		Maintenance Ground Materials	15,000	15,300	15,606	15,918	16,236
				Subtotal #40 Materials from Stock	17,653	18,006	18,366	18,734	19,108
25	592100	45		Maintenance Station Equipment Materials-Distribution	20,000	20,400	20,808	21,224	21,649
25	935398	45		Maintenance General Plant	2,500	2,550	2,601	202,653	2,653
				Subtotal #45 Materials from Vendor	22,500	22,950	23,409	223,877	24,302
25	581020	50		Environmental Expenses	4,000	4,000	204,000	204,000	4,000
25	923105	50		Consulting Services	10,000	-	-	-	-
25	923213	50	35000	Janitorial Services - James Street	29,568	29,568	29,568	30,159	30,763
25	923213	50	35001	Janitorial Services - Stock island	42,262	42,262	42,262	43,107	43,969
25	923240	50	27201	Disposal Services-Green Initiatives	8,489	8,659	8,832	9,009	9,189
25	923240	50	27300	Disposal Services-Routine	22,285	22,731	23,185	23,649	24,122
25	923240	50	27301	Disposal Services-Special	15,606	15,918	16,236	16,561	16,892
25	923250	50	35000	Maintenance of Elevators-Svc Bldg	5,000	5,100	5,202	5,306	5,412
25	923250	50	35001	Maintenance of Elevators-SI	7,500	7,650	7,803	7,959	8,118
25	923251	50		Maintenance of Structures-Other Bldgs	15,000	15,300	15,606	15,918	16,236
25	923251	50	35000	Maintenance of Structures-Svc Bldg	5,000	5,100	5,202	5,306	5,412
25	923251	50	35001	Maintenance of Structures-SI Facilities	12,000	12,240	12,485	12,734	12,989
25	923252	50		Maintenance of Substations	1,795	1,831	1,868	1,905	1,943
25	923256	50		Equipment Rental	1,000	1,000	1,000	1,000	1,000
25	923302	50	35000	Air Conditioning Services-Service Building	10,000	10,200	10,404	10,612	10,824
25	923302	50	35001	Air Conditioning Services-SI Facilities	20,000	20,400	20,808	21,224	21,649
25	923302	50	35002	Air Conditioning Services-Substations	10,000	10,200	10,404	10,612	10,824
25	935392	50		Maint General Plant	217,000	-	-	-	-
				Subtotal #50 Outside Services	436,506	212,159	414,866	419,063	223,344
25	708300	60		Fica Tax	3,484	3,590	3,688	3,804	3,894
25	926100	60		Employee Insurance	42,192	43,458	44,759	46,103	47,477
25	926110	60		Employee Supplies	13,796	14,071	14,353	14,640	14,933
25	926127	60		Training Expense	8,000	500	510	520	531
25	926200	60		Pension Contribution	103,074	106,204	110,396	115,177	119,237
				Subtotal #60 Employee Benefits	170,546	167,823	173,706	180,245	186,071
25	921040	90		Water Supply-Svc Bldg	10,404	10,612	10,824	11,041	11,262
25	921042	90		Sewer	9,364	9,551	9,742	9,937	10,135
25	921043	90	35000	Pest Control-Service Building	1,040	1,061	1,082	1,104	1,126
25	921043	90	35001	Pest Control-SI Facilities	1,040	1,061	1,082	1,104	1,126
25	921306	90		General Office Supplies	1,317	1,343	1,370	1,397	1,425
				Subtotal Unassigned Account	23,165	23,629	24,101	24,583	25,075
Department 25 Totals:					\$924,675	\$706,306	\$923,137	\$1,143,567	\$761,306



O&M Plan
Department 30 (Engineering)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast	Forecast	Forecast	Forecast	Forecast
					2017	2018	2019	2020	2021
30	580100	10		Supervision Wages-Distribution	554,234	719,146	711,466	737,669	787,965
30	580920	10		Longevity	24,387	26,048	26,837	28,641	28,710
30	580963	10		Authorized Leave	161,342	166,241	170,812	176,179	180,336
30	592151	10	29004	Pole Expense-Non-Owned	-	-	-	-	-
				Subtotal #10 Labor-Regular	739,962	911,434	909,115	942,489	997,011
30	580102	20		Distribution Maintenance OT	3,159	3,246	3,336	3,427	3,522
				Subtotal #20 Labor-Overtime	3,159	3,246	3,336	3,427	3,522
30	592151	30	29004	Pole Expense-Non-Owned	-	-	-	-	-
				Subtotal #30 Transportation	-	-	-	-	-
30	592151	40	29004	Pole Expense-Non-Owned	-	-	-	-	-
				Subtotal #40 Materials from Stock	-	-	-	-	-
30	574123	45		Transmission Down Guy Repairs	30,000	-	-	25,000	-
30	582100	45		Drafting	-	-	-	-	-
30	594104	45		Tools & Equipment - Line Monitoring	12,000	12,000	12,000	12,000	12,000
30	594200	45		Maintenance O/H Lines - Materials (Fault Indicato	-	-	-	-	-
				Subtotal #45 Materials from Vendor	42,000	12,000	12,000	37,000	12,000
30	574050	50		Substation Maintenance/Grounding	30,000	30,000	30,000	30,000	30,000
30	574106	50		Transmission Annual Inspections & Monitoring	-	-	-	-	-
30	574107	50		Transmission Survey	-	-	150,000	-	-
30	574109	50		Transmission Pole Foundation Inspection	-	-	-	-	-
30	574109	50	27140	Trans Pole Found Insp-FKEC	-	-	-	-	-
30	574118	50		POLE FOUNDATION REPAIRS	-	-	-	-	-
30	574118	50	35012	Pole Foundation Repairs-KEYS	-	-	-	-	-
30	574118	50	35013	Pole Foundation Repairs-FKEC	-	-	-	-	-
30	574119	50		Pole Grounding	-	-	-	-	-
30	574120	50	27137	Tapchanger	-	-	-	-	-
30	574121	50		Transmission Dampers	2,500	-	-	100,000	100,000
30	574123	50		Transmission Down Guy Repairs	435,000	-	-	25,000	-
30	574124	50		Pole Top Repair/Caps	134,750	-	-	-	-
30	574115	50		POLE PAINTING & COATING	242,410	17,410	17,410	17,410	17,410
30	592151	50	29004	Pole Expense-Non-Owned	-	-	-	-	-
30	594201	50		PSC MANDATED POLE INSPECTION	-	-	-	-	-
30	594240	50		Maintain Pole, Towers, Materials	-	-	-	-	-
30	906300	50		Navy Easement - Palm Ave	-	-	-	-	-
30	923105	50		Consulting Services	213,200	5,000	50,000	-	50,000
30	923105	50	27118	Consulting Services-NERC-KEYS	-	-	-	-	-
30	923105	50	27135	Consulting Services-NERC-FKEC	-	-	-	-	-
30	923105	50	27138	CONSULTING SERVICES-20 YR TLine Integrity Study	-	-	-	-	-
30	923223	50		Surveying Services	1,592	1,624	1,657	1,690	1,723
30	923300	50	27118	Legal Services - NERC	-	-	-	-	-
30	930205	50		Underground Locates	1,800	1,836	1,873	1,910	1,948
				Subtotal #50 Outside Services	1,061,252	55,870	250,939	176,010	201,082
30	580708	60		Fica Tax	13,761	14,179	14,569	15,027	15,382
30	580961	60		Employee Insurance	117,706	121,240	124,863	128,617	132,437
30	580962	60		Pension Contribution	407,150	419,513	436,074	454,957	470,996
30	925380	60		Safety Equipment	500	510	520	531	541
30	926110	60		Employee Supplies	2,500	2,550	2,601	2,653	2,706
30	926127	60		Training Expenses	35,000	35,000	5,000	5,000	5,000
30	926129	60		Education Degree Seeking	28,740	-	-	-	-
				Subtotal #60 Employee Benefits	605,358	592,992	583,627	606,784	627,061
30	921110	90		Travel	4,000	4,000	4,080	4,162	4,245
30	921300	90		Dues & Subscriptions	1,836	1,873	1,910	1,948	1,987
30	921305	90		Postage Freight & Delivery	260	265	271	276	282
30	921306	90		General Office Supplies	10,000	10,000	10,200	10,404	10,612
30	921311	90		Meals & Mileage	300	306	312	318	325
30	925380	90		Safety Equipment	1,250	1,275	1,301	1,327	1,353
				Subtotal Unassigned Account	17,646	17,719	18,073	18,435	18,804
				Subtotal New Accounts	-	-	-	-	-
Department 30 Totals:					\$2,469,378	\$1,593,262	\$1,777,090	\$1,784,145	\$1,859,479



O&M Plan
Department 31 (Control Center)

Dept.	FERC	Expense	Activity	Forecast	Forecast	Forecast	Forecast	Forecast	
#	Number	Type	Code	Account Name	2017	2018	2019	2020	2021
31	560101	10		Transmission Wages	633,631	652,762	670,613	691,583	707,802
31	560920	10		Longevity	21,440	21,695	23,149	23,406	23,419
31	560963	10		Authorized Leave	129,780	133,698	137,354	141,650	144,971
				Subtotal #10 Labor-Regular	784,851	808,155	831,116	856,639	876,191
31	560002	20		Power Coordinators OT	210,000	215,775	221,709	227,806	234,070
				Subtotal #20 Labor-Overtime	210,000	215,775	221,709	227,806	234,070
31	581200	50		Dispatch Expenses	4,500	4,590	4,682	4,775	4,871
31	921050	50		Radio Equip & Maint	43,711	44,585	45,477	46,386	47,314
31	921055	50		Maintenance Radio Signal	116,112	-	-	-	-
				Subtotal #50 Outside Services	164,323	49,175	50,159	51,162	52,185
31	560708	60		Fica Tax	11,069	11,404	11,716	12,082	12,365
31	560961	60		Employee Insurance	96,229	99,117	102,078	105,146	108,269
31	560962	60		Pension Contribution	327,503	337,391	350,658	365,789	378,631
31	926110	60		Employee Supplies	260	265	271	276	282
31	926127	60		Training Expenses	21,135	21,558	21,989	22,429	22,877
				Subtotal #60 Employee Benefits	456,197	469,735	486,711	505,722	522,424
31	555001	70	25500	FMPA ARP-Customer Charge	16,140	16,140	16,140	16,140	16,140
31	555001	70	25501	FMPA ARP- Demand Charge	29,921,227	27,971,311	28,390,880	28,764,568	29,248,995
31	555001	70	25502	FMPA ARP-Energy Charge	15,594,090	17,302,793	17,562,335	17,825,770	18,093,157
31	555011	70		FMPA Load Rentention Credit	(240,045)	(240,045)	(240,045)	(240,045)	(240,045)
				Subtotal #70 Purchased Power	45,291,412	45,050,199	45,729,310	46,366,433	47,118,246
31	921110	90		Travel	2,500	2,500	2,500	2,500	2,500
31	921306	90		General Office Supplies	1,561	1,592	1,624	1,656	1,689
31	921311	90		Meals	156	159	162	166	169
				Subtotal Unassigned Account	4,217	4,251	4,286	4,322	4,358
Department 31 Totals:					\$46,911,000	\$46,597,289	\$47,323,291	\$48,012,083	\$48,807,476



O&M Plan
Department 32 (Risk Management)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast 2017	Forecast 2018	Forecast 2019	Forecast 2020	Forecast 2021
32	920150	10		Longevity	3,518	3,538	3,797	3,819	3,836
32	920200	10		General Office Wages	72,849	75,061	77,125	79,549	81,426
32	926300	10		Authorized Leave	14,921	15,374	15,797	16,293	16,678
				Subtotal #10 Labor-Regular	91,288	93,973	96,719	99,661	101,939
32	923105	50	27124	Consulting Services-Surveyor elevation	-	6,000	-	-	-
32	923105	50	27131	CONSULTING SERVICES - Appraisals	18,000	-	-	-	-
32	923211	50	32000	Insurances Services-Risk Mgmt/Gehring Group	20,000	20,000	20,400	20,808	21,224
				Subtotal #50 Outside Services	38,000	26,000	20,400	20,808	21,224
32	708300	60		Fica Tax	1,273	1,311	1,347	1,390	1,422
32	925380	60		Safety Equipment	5,000	5,100	5,202	5,306	5,412
32	925381	60		Safety and Accident Programs	2,500	2,550	2,601	2,653	2,706
32	926100	60		Employee Insurance	10,709	11,031	11,360	11,702	12,049
32	926110	60		Employee Supplies/Uniforms	500	510	520	531	541
32	926164	60		Safety /OSHA Programs	15,000	15,000	15,000	15,000	15,000
32	926165	60		Safety /Risk Mgt Training	5,000	5,000	5,000	5,000	5,000
32	926200	60		Pension Contribution	37,653	38,797	40,328	42,075	43,558
				Subtotal #60 Employee Benefits	77,635	79,299	81,359	83,656	85,689
32	921110	90		Travel	5,500	5,500	5,500	5,500	5,500
32	921300	90		Dues & Subscriptions	1,100	3,600	1,100	1,100	1,100
32	921305	90		Postage Freight & Delivery	100	100	100	100	100
32	921306	90		General Office Supplies	250	255	260	265	271
32	924265	90		Property & Machinery Insurance	203,342	209,442	215,726	222,197	228,863
32	924266	90		Flood & Site Damage Insurance	161,504	166,349	171,340	176,480	181,774
32	924267	90		Windstorm Insurance	125,247	129,004	132,875	136,861	140,967
32	925205	90		Damage Claims General	25,000	25,500	26,010	26,530	27,061
32	925235	90		Workman's Compensation Ins.	169,646	131,533	131,533	135,479	139,543
32	925236	90		OFFSET TARP WC INS	(18,500)	(18,500)	(18,500)	(18,500)	(18,500)
32	925240	90		Comp Gen'l Liability Insurance	44,394	45,726	47,098	48,511	49,966
32	925250	90		Pension Trustee Fiduciary Ins.	5,462	5,626	5,795	5,969	6,148
32	925255	90		Crime Insurance	2,812	2,953	3,100	3,255	3,418
32	925275	90		Comp/Auto/BI/PD/PHYS INS	19,550	20,528	21,554	22,632	23,763
32	925276	90		Marine Insurance	2,553	2,681	2,815	2,955	3,103
32	925285	90		Pollution Liability Insurance	903	948	996	1,045	1,098
32	925382	90		Fire Safety Test/Inspections	8,000	8,000	8,000	8,000	8,000
				Subtotal #90 Other Expenses	756,863	739,244	755,299	778,379	802,174
Department 32 Totals:					\$963,787	\$938,517	\$953,778	\$982,503	\$1,011,026



O&M Plan
Department 34 (Fleets)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast	Forecast	Forecast	Forecast	Forecast
					2017	2018	2019	2020	2021
34	920150	10		Longevity	11,676	12,426	12,927	13,192	13,211
34	926300	10		Authorized Leave	65,261	67,242	69,091	71,262	72,944
34	933001	10		Transportation Wages	318,625	328,300	337,329	347,927	356,137
				Subtotal #10 Labor-Regular	395,562	407,969	419,348	432,382	442,292
34	933002	20		Transportation OT	7,500	7,706	7,918	8,136	8,360
				Subtotal #20 Labor-Overtime	7,500	7,706	7,918	8,136	8,360
34	933000	30		Transportation Expenses	120,000	122,400	124,848	127,345	129,892
34	933100	30		Auto Parts	20,000	20,400	20,808	21,224	21,649
34	933110	30		Inside Fuel Costs-93 Octane	70,000	71,400	72,828	74,285	75,770
34	933120	30		Inside Fuel Costs-Diesel	120,000	122,400	124,848	127,345	129,892
34	933305	30		Tire Expenses	35,000	35,700	36,414	37,142	37,885
34	933600	30		Oil Coolant	4,000	4,080	4,162	4,245	4,330
34	933850	30	30121	VEHICLE LEASES #1	24,600	24,600	24,600	24,600	24,600
34	933850	30	30122	VEHICLE LEASES #30	25,188	25,188	25,188	25,188	25,188
34	933850	30	30123	VEHICLE LEASES #37	21,588	21,588	21,588	21,588	21,588
34	933850	30	30124	VEHICLE LEASES #86	25,188	25,188	25,188	25,188	25,188
34	933850	30	30125	VEHICLE LEASES #3	15,588	15,588	15,588	15,588	15,588
34	933850	30	30126	Vehicle Leases #58 est	25,388	25,388	25,388	25,388	25,388
34	933850	30	30127	Vehicle Leases #67 est	25,388	25,388	25,388	25,388	25,388
34	933850	30	30128	Vehicle Leases #90 est	25,388	25,388	25,388	25,388	25,388
34	933850	30	30129	Vehicle Leases #87 est	44,388	21,588	21,588	21,588	21,588
34	933850	30	30130	Vehicle Leases #18 est	5,397	21,588	21,588	21,588	21,588
34	933850	30	30131	Vehicle Leases #10 est	6,347	25,388	25,388	25,388	25,388
34	933850	30	30132	Vehicle Leases #80 est	5,397	22,000	22,000	22,000	22,000
34	933900	30		Capitalized Transportation (O&M costs to Cap)	(281,984)	(115,000)	(137,000)	(137,000)	(115,000)
				Subtotal #30 Transportation	336,861	540,260	525,788	533,466	563,297
34	592100	45		MAINT STATION EQUIP E	30,000	-	-	-	-
34	933500	45		Transportation Materials	-	-	-	-	595
				Subtotal #45 Materials from Vendor	30,000	-	-	-	595
34	923203	50		Special Services (equip (lifts/trucks) inspections	36,000	36,720	37,454	38,203	38,968
34	923239	50		Towing Services	11,587	11,819	12,055	12,296	12,542
				Subtotal #50 Outside Services	47,587	48,539	49,510	50,500	51,510
34	708300	60		Fica Tax	5,566	5,735	5,893	6,078	6,222
34	926100	60		Employee Insurance	53,226	54,824	56,463	58,160	59,889
34	926110	60		Employee Supplies	5,202	5,306	5,412	5,520	5,631
34	926127	60		Training Expense	1,457	1,486	1,515	1,546	1,577
34	926200	60		Pension Contribution	164,687	169,688	176,386	184,024	190,512
				Subtotal #60 Employee Benefits	230,138	237,039	245,670	255,329	263,830
34	921110	90		TRAVEL	155	155	155	155	155
34	921305	90		Postage & Freight	250	255	260	265	271
34	921311	90		Meals & Mileage non trip	250	255	260	265	271
				Subtotal #90 Other Expenses	655	665	676	686	697
Department 34 Totals:					\$1,048,304	\$1,242,179	\$1,248,909	\$1,280,498	\$1,330,581



O&M Plan
Department 35 (Warehouse)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast	Forecast	Forecast	Forecast	Forecast
					2017	2018	2019	2020	2021
35	920150	10		Longevity	4,040	4,040	4,280	4,280	4,520
35	920200	10		General Office Wages	107,200	110,455	113,493	117,059	119,821
35	926300	10		Authorized Leave	21,957	22,623	23,245	23,976	24,542
				Subtotal #10 Labor-Regular	133,197	137,119	141,018	145,314	148,882
35	920202	20		General Office OT	500	500	500	500	500
				Subtotal #20 Labor-Overtime	500	500	500	500	500
35	935398	40		MAINT GENERAL PLANT EQUIP	3,501	3,571	3,642	3,715	3,789
				Subtotal #40 Materials from Stock	3,501	3,571	3,642	3,715	3,789
35	921120	45		Freight & Tax	1,608	1,641	1,673	1,707	1,741
35	935398	45		Maintenance General Plant Equipment	952	971	990	1,010	1,030
				Subtotal #45 Materials from Vendor	2,560	2,611	2,664	2,717	2,771
35	708300	60		Fica Tax	1,873	1,930	1,983	2,045	2,093
35	926100	60		Employee Insurance	21,149	21,783	22,435	23,109	23,797
35	926110	60		Employee Supplies	1,560	1,591	1,623	1,655	1,689
35	926129	60		Education - Degree Seeking	2,900	-	-	-	-
35	926200	60		Pension Contribution	55,408	57,091	59,344	61,914	64,097
				Subtotal #60 Employee Benefits	82,890	82,395	85,385	88,724	91,676
35	921305	90		Postage Freight & Delivery	666	679	693	707	721
35	921306	90		General Office Supplies	312	318	325	331	338
				Subtotal #90 Other Expenses	978	998	1,018	1,038	1,059
Department 35 Totals:					\$223,625	\$227,193	\$234,227	\$242,008	\$248,677



O&M Plan

Department 40 (Customer Accounts)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast	Forecast	Forecast	Forecast	Forecast
					2017	2018	2019	2020	2021
40	903001	10		Customer Billing & Accounting Wages	907,053	934,596	960,297	990,470	1,013,840
40	903920	10		Longevity	38,281	40,806	41,576	41,874	43,965
40	903963	10		Authorized Leave	185,782	191,423	196,687	202,867	207,654
				Subtotal #10 Labor-Regular	1,131,116	1,166,826	1,198,561	1,235,211	1,265,459
40	903102	20		Customer Contract Order OT	2,106	2,164	2,224	2,285	2,348
				Subtotal #20 Labor-Overtime	2,106	2,164	2,224	2,285	2,348
40	903403	50	35105	Legal Services-Collections	6,000	6,120	6,242	6,367	6,495
40	903403	50	35106	Legal Services-Bankruptcy	2,500	2,550	2,601	2,653	2,706
40	906200	50		Easement Rebates	50,000	50,000	50,000	50,000	50,000
40	923205	50		Bank Services	200	204	208	212	216
				Subtotal #50 Outside Services	58,700	58,874	59,051	59,233	59,417
40	903708	60		Fica Tax	15,846	16,327	16,776	17,303	17,712
40	903961	60		Employee Insurance	189,932	195,633	201,485	207,539	213,721
40	903962	60		Pension Contribution	468,826	483,062	502,131	523,875	542,343
40	926110	60		Employee Supplies	9,569	9,760	9,955	10,154	10,357
40	926127	60		Training Expenses	5,000	5,100	5,202	5,306	5,412
40	926129	60		Education Degree Seeking	3,882	-	-	-	-
				Subtotal #60 Employee Benefits	693,055	709,882	735,550	764,178	789,545
40	903000	90		Stationery Printing Supplies	1,500	1,530	1,561	1,592	1,624
40	903306	90		General Office Supplies	11,500	11,730	11,965	12,204	12,448
40	903310	90		Stationery & Printing	6,500	6,630	6,763	6,898	7,036
40	904000	90		Uncollectible Accounts (Bad Debt Exp)	89,905	91,703	93,537	95,408	97,316
40	904000	90	25400	Uncollectible Accounts-MR	1,000	1,000	1,000	1,000	1,000
40	921300	90		Dues & Subscriptions	200	204	208	212	216
40	921110	90		Travel	3,500				
				Subtotal #90 Other Expenses	114,105	112,797	115,033	117,313	119,640
Department 40 Totals:					\$1,999,082	\$2,050,543	\$2,110,419	\$2,178,220	\$2,236,409



O&M Plan
Department 50 (Meters)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast	Forecast	Forecast	Forecast	Forecast
					2017	2018	2019	2020	2021
50	580100	10		Supervision Wages Distribution	405,666	417,984	429,479	442,973	453,425
50	580920	10		Longevity	15,738	16,238	16,497	17,359	18,576
50	580963	10		Authorized Leave	83,088	85,611	87,966	90,729	92,870
				Subtotal #10 Labor-Regular	504,493	519,834	533,941	551,061	564,871
50	580102	20		Remove/Reset Meter OT	40,070	41,172	42,304	43,468	44,663
				Subtotal #20 Labor-Overtime	40,070	41,172	42,304	43,468	44,663
50	597000	40		Maintenance Meter Supplies	8,000	8,160	8,323	8,490	8,659
				Subtotal #40 Materials from Stock	8,000	8,160	8,323	8,490	8,659
50	597000	45		Maintenance Meter Supplies	6,500	6,630	6,763	6,898	7,036
				Subtotal #45 Materials from Vendor	6,500	6,630	6,763	6,898	7,036
50	580708	60		Fica Tax	7,087	7,302	7,503	7,739	7,921
50	580961	60		Employee Insurance	84,432	86,966	89,568	92,259	95,007
50	580962	60		Pension Contribution	209,676	216,043	224,571	234,295	242,555
50	925380	60		Safety Equipment	1,200	1,224	1,248	1,273	1,299
50	926110	60		Employee Supplies	8,843	9,020	9,201	9,385	9,572
50	926127	60		Training Expenses	4,000	5,000	5,100	5,202	5,306
				Subtotal #60 Employee Benefits	315,238	325,555	337,191	350,153	361,661
50	921110	90		TRAVEL	6,500	6,630	6,763	6,898	7,036
50	902101	90		General Office Supplies	2,000	2,040	2,081	2,122	2,165
50	921305	90		Postage Freight & Delivery	300	306	312	318	325
				Subtotal Unassigned Account	8,800	8,976	9,156	9,339	9,525
Department 50 Totals:					\$883,101	\$910,327	\$937,678	\$969,409	\$996,416



O&M Plan
Department 60 (T&D)

Full Lookup	Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast	Forecast	Forecast	Forecast	Forecast
						2017	2018	2019	2020	2021
60-560101-10	60	560101	10		Transmission Wages	141,113	145,398	149,397	154,091	157,727
60-580100-10	60	580100	10		Supervision Wages Distribution	1,848,874	2,089,723	2,130,559	2,201,978	2,277,296
60-580920-10	60	580920	10		Longevity	68,757	77,383	80,886	82,331	86,268
60-580963-10	60	580963	10		Authorized Leave	468,656	482,886	496,166	511,755	523,830
					Subtotal #10 Labor-Regular	2,527,400	2,795,391	2,857,007	2,950,155	3,045,121
60-580102-20	60	580102	20		Distribution OT	350,000	360,000	370,000	380,000	390,000
					Subtotal #20 Labor-Overtime	350,000	360,000	370,000	380,000	390,000
60-574200-30-3501C	60	574200	30	35010	DVAR/STATCOM MTN	750	750	750	750	750
60-574200-30-35011	60	574200	30	35011	DVAR/STATCOM MTN	250	250	250	250	250
					Subtotal #30 Transportation	1,000	1,000	1,000	1,000	1,000
60-574000-40	60	574000	40		Maintenance Station Equipment Materials-Transmission	21,064	21,485	21,915	22,353	22,800
60-585000-40	60	585000	40		Traffic Light Signal System Materials	950	950	950	950	950
60-585010-40	60	585010	40		City Street Lights Materials	70,000	71,400	72,828	74,285	75,770
60-592100-40	60	592100	40		Maintenance Station Equipment Materials-Distribution	21,000	21,420	21,848	22,285	22,731
60-594100-40	60	594100	40		Maintenance U/G Lines Materials	7,174	7,317	7,463	7,613	7,765
60-594200-40	60	594200	40		Maintenance O/H Lines Materials	120,000	122,400	124,848	127,345	129,892
					Subtotal #40 Materials from Stock	240,188	244,972	249,853	254,831	259,909
60-574115-45	60	574115	45		Pole Painting - Materials	25,000	25,000	-	-	-
60-574122-45	60	574122	45		Transmission Line Repairs	62,000	-	-	30,000	-
60-585010-45	60	585010	45		City Street Lights Material	2,437	2,486	2,535	2,586	2,638
60-592100-45	60	592100	45		Maintenance Station Equipment Materials-Distribution	60,900	100,900	100,900	50,900	50,900
60-594100-45	60	594100	45		Maintenance U/G Lines Materials	8,436	8,605	8,777	8,953	9,132
60-594200-45	60	594200	45		MAINT O/H LINES Fault Indicator	2,000	2,000	2,000	2,000	2,000
					Subtotal #45 Materials from Vendor	160,773	138,991	114,212	94,439	64,670
60-574050-50	60	574050	50		Maintenance Substations - includes Painting	65,000	66,300	67,626	68,979	70,358
60-574108-50	60	574108	50		Helicopter Survey	75,000	-	75,000	-	75,000
60-574200-50-11107	60	574200	50	11107	Series Capacitor Maintenance	10,000	10,200	10,404	10,612	10,824
60-574200-50-3501C	60	574200	50	35010	Stat Com Maint – Stock Island	23,000	23,460	23,929	24,408	24,896
60-574200-50-35011	60	574200	50	35011	Stat Com Maint – Big Pine Key	23,000	23,460	23,929	24,408	24,896
60-592104-50	60	592104	50		TAPCHANGER MAINTENANCE	15,000	15,000	15,000	15,000	15,000
60-592109-50	60	592109	50		Transformer Painting	40,000	40,000	40,000	40,000	40,000
60-592130-50	60	592130	50		Hot Stick Testing	10,404	10,612	10,824	11,041	11,262
60-592133-50-27118	60	592133	50	27118	Protective Relay Battery/Grounding Testing	-	100,000	-	-	-
60-592135-50	60	592135	50		RTU Technical Service	14,178	14,462	14,751	15,046	15,347
60-594100-50	60	594100	50		MAINT U/G LINES	11,600	11,832	12,069	12,311	12,557
60-594103-50	60	594103	50		Infrared Survey	14,500	14,790	15,086	15,388	15,695
60-594104-50	60	594104	50		Tools & Equipment	70,000	71,400	72,828	74,285	75,770
60-594106-50	60	594106	50		Tree Trimming	430,123	438,726	447,500	456,450	465,579
60-594106-50-4310C	60	594106	50	43100	Tree Trimming-Mulch Removal	2,500	2,550	2,601	2,653	2,706
60-594150-50	60	594150	50		Pole Attachment Expense	101,862	104,917	108,065	111,307	114,646
60-594155-50	60	594155	50		Tools Repair	11,359	11,586	11,818	12,054	12,295
60-595103-50-4320C	60	595103	50	43200	Transformer Expenses-Electrical Testing	17,101	17,443	17,792	18,148	18,511
60-595103-50-43201	60	595103	50	43201	Transformer Expenses-Oil Testing	13,117	13,380	13,647	13,920	14,198
60-595103-50-43202	60	595103	50	43202	Transformer Expenses-Oil Reclamation	95,500	97,410	99,358	101,345	103,372
60-595103-50-43204	60	595103	50	43204	Transformer Expenses-Distribution	20,000	20,400	20,808	21,224	21,649
60-925380-50	60	925380	50		SAFETY EQUIPMENT	500	510	520	531	541
					Subtotal #50 Outside Services	1,063,744	1,108,438	1,103,556	1,049,108	1,145,103
60-580708-60	60	580708	60		Fica Tax	39,037	40,223	41,329	42,627	43,633
60-580961-60	60	580961	60		Employee Insurance	393,387	405,194	417,309	429,852	442,636
60-580962-60	60	580962	60		Pension Contribution	1,182,666	1,218,578	1,266,682	1,321,532	1,368,121
60-925380-60	60	925380	60		Safety Equipment	26,010	26,530	27,061	27,602	28,154
60-926110-60	60	926110	60		Employee Supplies	45,000	45,900	46,818	47,754	48,709
60-926127-60	60	926127	60		Training Expense	75,000	76,500	78,030	79,591	81,182
60-926158-60	60	926158	60		Lineman Hazard Awareness	28,200	28,764	29,339	29,926	30,525
60-926163-60	60	926163	60		Aerial Lift & Hot Stick Training	16,000	-	-	15,918	15,918
					Subtotal #60 Employee Benefits	1,805,300	1,841,689	1,906,567	1,994,803	2,058,878
60-560500-80	60	560500	80		FMPA Trans PP	3,456,924	3,630,410	3,684,866	3,733,367	3,796,242
60-574500-80	60	574500	80		FKEC Transmission	1,500,000	1,299,000	1,324,980	1,351,480	1,378,509
					Subtotal #80 Transmission Costs	4,956,924	4,929,410	5,009,846	5,084,847	5,174,751
60-921110-90	60	921110	90		Travel	20,000	20,400	20,808	21,224	21,649
60-921300-90	60	921300	90		Dues & Subscriptions	2,251	2,296	2,342	2,389	2,437
60-921305-90	60	921305	90		Postage Freight & Delivery	2,081	2,122	2,165	2,208	2,252
60-921306-90	60	921306	90		General Office Supplies	5,520	5,631	5,743	5,858	5,975
60-921310-90	60	921310	90		Stationery & Printing	828	845	862	879	897
60-921311-90	60	921311	90		Meals	950	969	988	1,008	1,028
					Subtotal Unassigned Account	31,630	32,263	32,908	33,566	34,237
Department 60 Totals:						11,136,960	11,452,154	11,644,950	11,842,748	12,173,668



O&M Plan

Department 70 (Other Power Supply)

Dept. #	FERC Number	Expense Type	Activity Code	Account Name	Forecast 2017	Forecast 2018	Forecast 2019	Forecast 2020	Forecast 2021
70	554110	10		OFFSET - TARP WAGES FMPA	-	-	-	-	-
70	554111	10		FMPA TARP REG WAGES & LONGEVITY	-	-	-	-	-
70	554999	10	31410	HURRICANE EXP PRODUCTION	-	-	-	-	-
70	567501	10		Maintenance RGSC Wages	-	-	-	-	-
70	920150	10		Longevity	-	-	-	-	-
70	925000	10		WORKMANS COMP WAGES	-	-	-	-	-
70	925001	10		WC TARP OFFSET	-	-	-	-	-
70	926300	10		Authorized Leave (Pre-FMPA leave)	20,000	20,000	20,000	20,000	20,000
70	926302	10		OFFSET - TARP AUTHORIZED LEAVE	-	-	-	-	-
				Subtotal #10 Labor-Regular	20,000	20,000	20,000	20,000	20,000
70	554112	20		FMPA TARP OT	-	-	-	-	-
70	554113	20		OFFSET - TARP OT FMPA	-	-	-	-	-
70	554999	20	31410	HURRICANE EXP PRODUCTION	-	-	-	-	-
70	568202	20		RGSC Miscellaneous OT	-	-	-	-	-
				Subtotal #20 Labor-Overtime	-	-	-	-	-
70	568400	40		Maint RGSC Materials	-	-	-	-	-
				Subtotal #40 Materials from Stock	-	-	-	-	-
70	568170	45		Maintenance RGSC Hydrogen	-	-	-	-	-
70	568400	45		Maintenance RGSC Materials	-	-	-	-	-
				Subtotal #45 Materials from Vendor	-	-	-	-	-
70	708300	60		Fica Tax	-	-	-	-	-
70	708301	60		OFFSET TARP FICA TAX	-	-	-	-	-
70	926100	60		Employee Insurance	-	-	-	-	-
70	926200	60		Pension Contribution	-	-	-	-	-
70	926202	60		OFFSET TARP PENSION CONTRIBUTI	-	-	-	-	-
70	926303	60		OFFSET TARP EE FRINGE BENEFITS	-	-	-	-	-
				Subtotal #60 Employee Benefits	-	-	-	-	-
Department 70 Totals:					\$20,000	\$20,000	\$20,000	\$20,000	\$20,000



Check for Changes

Item	2017	2018	2019	2020	2021
TRANSMISSION					
FKEC - FLC - Repl LFZP Relay SEL-421 (Line 2) - 2016; Line 4 SEL 421/221G - 2017	86,163	-	-	-	-
FKEC - MAR - Repl 138kV 3 Pc Porcelan Ins w/Polymere (CoCo Plum-MAR)	75,749	-	-	-	-
FKEC - Transmission Pole Foundation Repairs	-	187,638	187,638	187,638	187,638
FKEC - MAR - Convert Old office to TD Sub Control Room	67,094	-	-	-	-
FKEC - SYS - Extend Fiber Comms From TAV to JWF	-	-	-	-	141,250
FKEC - Replace ASEA Panel - ISL 138kV Capacitor Bank	-	63,563	-	-	-
FKEC - SYS - Replace Station Battery Banks	-	55,794	-	-	-
FKEC - JWF - Replace 3 transmission panels	-	-	182,213	-	-
FKEC - TAV - Replace 3 transmission panels	-	-	182,213	182,213	-
FKEC - Contracted Aerial Pole Top Repairs	113,000	-	-	-	-
FKEC - Replace polymor insulators from ISL sub to CoCo Plum	-	-	635,625	635,625	-
FKEC - KLO Replace 138F201 (T1) Circ Switch	-	39,550	-	-	-
Transmission Pole Grounding (\$300K in 2016 not needed)	30,000	-	-	230,000	250,000
Replace 3 Transmission Breakers - talk to Rob - not eng. Project	-	-	-	-	200,000
Transmission Pole Foundation Repair KEYS Service Area	570,000	750,000	-	570,000	-
Grounding Other Substations	-	-	55,000	160,000	30,000
KDS Grounding	30,000	-	-	-	-
Auto Transformer AT2 Upgrade	140,000	-	-	-	-
Cudjoe Sub N-1 Contingency	25,000	-	600,000	-	-
Transmission Line Partial Reclosing Phase 1	75,000	-	-	-	-
Transmission Line Reclosing Phase 2	-	-	50,000	-	200,000
Total - Transmission	1,212,005	1,096,544	1,892,688	1,965,475	1,008,888
DISTRIBUTION					
Phase II Keys Primary Easements	800,000	-	-	-	-
Phase III KW Secondary Easements	-	-	376,817	376,817	-
Storm Hardening/Distribution Improvements	2,657,340	-	-	-	-
Other - Daily Work Orders, Engineer's Requests	500,000	500,000	500,000	500,000	500,000
Purchase Transformers	300,000	300,000	300,000	300,000	300,000
Purchase and Install Meters	150,000	150,000	150,000	150,000	150,000
Underground Cable Improvements	75,000	75,000	75,000	75,000	75,000
Normal Improvements/upgrades to Substations	40,000	40,000	40,000	40,000	40,000
Kennedy Drive Distribution Feeder Tie - Airport to Bertha	-	-	-	-	800,000
BCS Cap Bank Switch and relay Upgrade - T&D	100,000	-	-	-	-
US 1 Cap Bank Switch and Relaying Upgrade - T&D	-	100,000	-	-	-
Switchgear Replacement @ Substations (KW Diesel)	15,000	-	-	-	-
Spanish Main Dr to Port Royal Dr with 394 AAAC	200,000	-	-	-	-
Port Royal to end of Spanish Main Dr	200,000	-	-	-	-
Torch Key Area Voltage Regulators	-	-	-	150,000	-
Kennedy Drive Substation Bus A Replacement - will add \$500K in 2022	-	-	-	50,000	500,000
Big Coppitt 13.8 kv Bus Replacement	20,000	-	500,000	1,700,000	-
Relay Life Cycle Replacement	30,000	30,000	30,000	30,000	-
Radio Replacement Trucks & Handhelds - maybe be O&M for units -\$2200/truck	200,000	130,000	-	-	-
Engineering Access to Substation Relays	250,000	-	-	-	-
Additional Fault Detectors	-	-	30,000	-	-
KWD Transformer Replacement	-	-	-	1,500,000	-
Weather Station Equipment Substations	65,000	-	-	-	-
Dynamic Line Rating - Line 7	-	-	70,000	115,000	-
Total - Distribution	5,602,340	1,325,000	2,071,817	4,986,817	2,365,000



Check for Changes

Item	2017	2018	2019	2020	2021
FACILITIES					
Improvements to Facilities	50,000	50,000	50,000	50,000	50,000
RG Building Renovations, Relocate Fleets and Fuel Pumps	500,000	-	-	-	-
Warehouse Renovations/Re Construction	-	65,000	2,325,000	2,000,000	-
KDS Fence	140,000	-	-	-	-
KWD Substation Fence	-	45,000	55,000	-	-
Total - Facilities	690,000	160,000	2,430,000	2,050,000	50,000
FLEETS					
Replace #007 15 Ton Pole Trailer	27,000	-	-	-	-
Replace #039 Utility Body Pickup	-	43,000	-	-	-
Replace #026 Utility Body Pickup	-	43,000	-	-	-
Replace #028 1/2 Ton Pickup	-	-	-	24,000	-
Replace #036 Flat Bed Trailer	-	20,000	-	-	-
Replace #043 1/2 Ton Pickup	-	23,000	-	-	-
Replace #045 Vermeer BC 1800 XL Brush Chipper	-	-	65,000	-	-
Replace #051 1/2 Ton Pickup	-	-	-	24,000	-
Replace #059 Utility Body Pickup	-	-	43,000	-	-
Replace #061 1/2 Ton Pickup	23,000	-	-	-	-
Replace #062 1/2 Ton Pickup	-	-	24,000	-	-
Replace #064 1 Ton Pickup	-	43,000	-	-	-
Replace #068 1/2 Ton Pickup	-	-	24,000	-	-
Replace #081 SUV	-	35,000	-	-	-
Replace #092 1/2 Ton Pickup	-	-	-	24,000	-
Replace #095 Mail Courier SUV	-	-	-	25,000	-
Replace #098 1/2 Ton Pickup	-	-	-	24,000	-
Replace #117 Dump Trailer	22,000	-	-	-	-
Replace #83 F-150	-	24,000	-	-	-
Replace Digger Derrick #09	210,000	-	-	-	-
#023 Work Barge	25,100	-	-	-	-
#077 Aluminum Pontoon Work Boat	74,000	-	-	-	-
Replace Work Van #55	-	54,000	-	-	-
Replace #41 Enclosed Trailer	-	-	-	-	16,000
Replace #53 Hot Stick Trailer	-	-	-	-	25,000
Replace #8 Warehouse Club Car	-	-	-	-	6,500
Replace #103 Electrical Trailer	-	-	-	-	17,000
New Fork Lift Purchasing	28,000	-	-	-	-
Total - Fleets	409,100	285,000	156,000	121,000	64,500
INFORMATION TECHNOLOGY					
Replace Servers	-	100,000	150,000	-	-
Customer Service Billing System Upgrade	75,000	-	-	-	-
SCADA Upgrade	30,000	-	-	-	200,000
Server, Storage Data Duplication @ T&D Building	-	-	150,000	150,000	-
Multimedia Installation at James St and T&D Bldg	-	-	-	-	75,000
Replace Edge Network Switching System	-	-	-	50,000	-
Replace Firewall and Cyber Security Equipment	-	-	-	-	50,000
System Drawing Management Plan	-	-	30,000	-	-
Total - Information Technology	105,000	100,000	330,000	200,000	325,000
Total All Projects	8,018,445	2,966,544	6,880,505	9,323,292	3,813,388

Item	2017	2018	2019	2020	2021
Summary by Section:					
Transmission	1,212,005	1,096,544	1,892,688	1,965,475	1,008,888
Distribution	5,602,340	1,325,000	2,071,817	4,986,817	2,365,000
Facilities	690,000	160,000	2,430,000	2,050,000	50,000
Fleets	409,100	285,000	156,000	121,000	64,500
Information Technology	105,000	100,000	330,000	200,000	325,000
Total	8,018,445	2,966,544	6,880,505	9,323,292	3,813,388



General Comments

On September 11, 1996, the Board approved changes in the Budget process that eliminated the Amended Budget and allows Budget amendments throughout the year. Known as the Budget Amendment Policy, staff has the authority to make changes within either the Capital or Operations and Maintenance (“O&M”) Budget as long as the total amount in either respective Budget does not change. The change is reported at the next Board meeting. Changes in the Budget that exceed the Enabling Act limitation, affect Board approved bids, increase the total O&M or capital Budget, involve a new capital project not previously approved by the Board, or involve transfers between the O&M and Capital Budget, require Board approval.

The Utility Board’s balanced budget uses current year’s revenues and reserves, when necessary, to fund disbursements and transfers.

Budget Amendment Policy Detail

1. Adopt Budget for Revenues, O&M Expenses & Capital in accordance with Resolution 532, Article V, Section 5.01, (A). The Board shall annually prepare at least forty-five (45) days preceding each of its Fiscal Years, and adopt prior to the beginning of such Fiscal Year, a detailed Budget of the estimated expenditures for the operation and maintenance of the System during such next succeeding Fiscal Year.
2. Staff will have the authority to make changes within the O&M and/or Capital Budgets under the following conditions:
 - a. The combined O&M and Capital Budget does not change.
3. Staff will recommend budget changes to the Utility Board under the following conditions:
 - a. The combined O&M and Capital Budget changes.
 - b. Changes in the Budget that affect Board approved bids or increase the Combined Board Approved Budget

- c. The change will be documented on a Budget Amendment Form.
4. The General Manager reserves the discretion to require that a formal budget amendment be prepared even though it falls within staff's authority.

Budget & Financial Plan Preparation Process

The Board shall annually prepare at least forty-five (45) days preceding each of its Fiscal Years, and adopt prior to the beginning of such Fiscal Year, a detailed Budget of the estimated expenditures for operation and maintenance of the System during such next succeeding Fiscal Year.

⁽¹⁾ Resolution #679, A Resolution Regarding Disbursement and Bidding Threshold amounts, dated 10/13/99.

Budget control is provided by monthly revenue and expense reports. Monthly financial reports are provided to the Board. The Budget & Financial Planning process for the ensuing fiscal year (October 1 to September 30) begins when the staff reviews the load forecast and the Board and staff attend the annual Strategic Planning Workshop. The Department Directors develop and review the proposed Budget & Financial Plan before submitting to the General Manager for review and comment.

Upon completion of the proposed Budget & Financial Plan, a public workshop session is held to review all proposed Budget & Financial Plan items. Subsequently, a public hearing is held to gather additional comments. The proposed Budget & Financial Plan thereupon is submitted to the members of the Board for their final review and adoption prior to the commencement of the succeeding fiscal year. Upon valid adoption, all expenditures in the Budget constitute appropriations and amendments can only be made in accordance with the provisions of law and Board policy.

REVISION HISTORY:

Issue Number	Reason for issue	Revised by	Issue date	Effective Date
	Initial Creation	Utility Board	9/11/1996	10/1/1996
1	Clarification	Utility Board	9/9/2015	10/1/2015



Purpose:

To comply with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standard Board (GASB) Statement 34.

Procedure:

KEYS capitalizes the original cost of assets as required by GAAP. The original cost capitalized is depreciated over its estimated useful life. The item or project must have a useful life of two or more years. This policy establishes the minimum value threshold for capitalization:

Minimum Capitalization Amount (other than Mass Assets)

The unit must be at least:

1. \$5,000 – infrastructure items (items with FERC codes for Transmission, Distribution and Generation) ⁽¹⁾ ⁽²⁾; or
 2. \$5,000 – for all other General Plant items.
- (1) Infrastructure mass assets such as meters and transformers will be capitalized.
 (2) Infrastructure mass assets such work orders and ER's will be capitalized if their total cost (including overhead) is equal to or greater than set limit.
 (3) Mass Assets are multiple quantity purchases of like equipment of materials with a value over the above thresholds.

Record as Capital:

1. A new purchase or construction project that satisfies the minimum thresholds above; or
2. A cost incurred related to an asset if the cost improves upon the original condition of the asset.

Record as O&M:

1. General Plant purchase amounts which do not satisfy the thresholds above; or
2. A cost incurred which maintains the asset's original condition or improves the asset to its original condition without extending the asset's life.

REVISION HISTORY:

Issue Number	Reason for issue	Revised by	Issue date	Effective Date
	Initial Creation			
1	Changed amount for all other General Plant Assets from \$1,000	Finance	8/26/2009	10/01/2009



Keys Energy Services

CAPITALIZATION POLICY

	to \$2,500			
2	Changed amount for all other General Plant Assets from \$2,500 to \$5,000	Finance	9/25/2013	10/01/2013
3	Removed reference to fiduciary assets	Finance		

Note:

Effective Oct 1, 2015 KEYS eliminated the process of company-wide identification and tracking of fiduciary assets. Finance will provide asset tags to individual sections that wish to continue tagging assets at the department level. Finance staff believes the time and effort to continue the process of tracking fiduciary assets outweighs the relatively low risk of loss.

**Utility Board of the City of Key West
Schedule of Utility Board Travel
Fiscal Year 2017**

Purpose	Justification	Hotel	Transp.	Meals	Misc.	Reg Fee	Total
Chairman							
FMPA, Orlando -2 times a yr	FMPA - ARP/Exec Comm/Board - Mtgs	400	900	300	50		1,650
APPA, Washington DC	Legis Workshop Rally	1,500	600	355	120	520	3,095
FMEA Tallahassee	Planning Conf/Legislative Rally	400	500	100	50	95	1,145
APPA	National Conference	1,400	500	396	115	1,300	3,711
FMEA	Annual Conference	450	200	224	100	545	1,519
						SubTotal	11,120
Member							
FMPA, Orlando	Board Meeting	200	450	150	50		850
APPA, Washington DC	Legis Workshop Rally	1,500	600	355	120	520	3,095
APPA	National Conference	1,400	500	396	115	1,300	3,711
FMEA	Annual Conference	450	200	224	100	545	1,519
						Subtotal	9,175
Member							
FMPA, Orlando	Board Meeting	200	450	150	50		850
APPA, Washington DC	Legis Workshop Rally/Winter Comm	1,500	600	355	120	520	3,095
APPA	National Conference	1,400	500	396	115	1,300	3,711
FMEA	Annual Conference	450	200	224	100	545	1,519
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APPA	National Conference	1,400	500	396	115	1,300	3,711
FMEA	Annual Conference	450	200	224	100	545	1,519
						Subtotal	9,175
Board Attorney							
APPA, Washington DC	Legis Workshop Rally/Winter Comm	1,500	600	355	120	520	3,095
						Subtotal	2,895
TOTAL		19,850	10,300	6,230	2,095	12,440	50,815