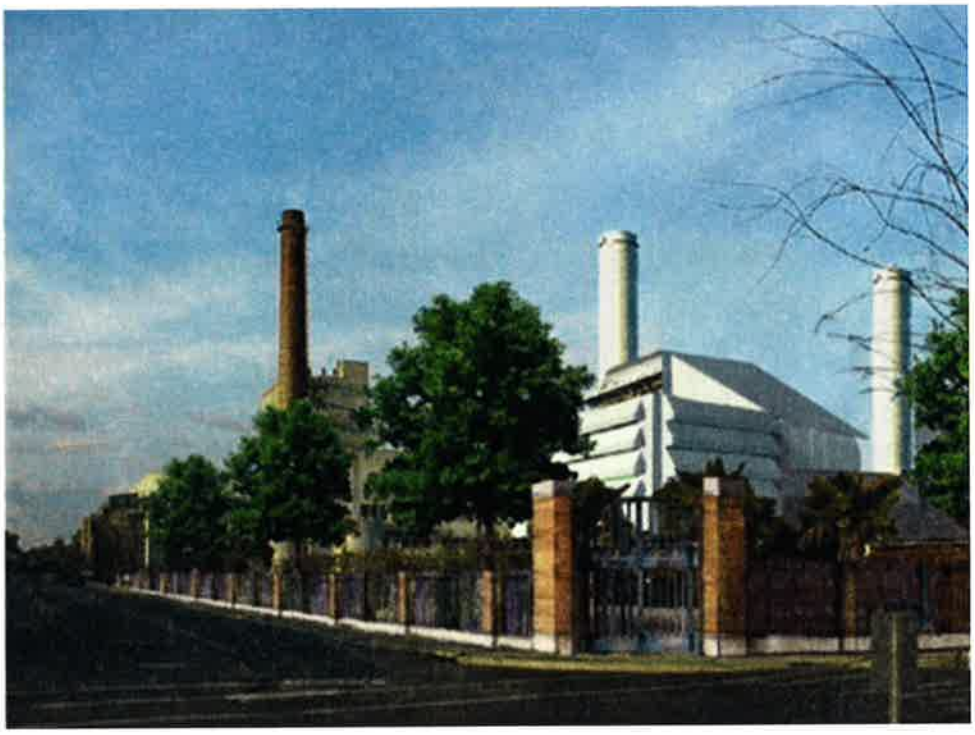
Proposed Budget

FY 2001 & FY 2002



Gainesville Regional Utilities

GRU

Kurt Lannon (2)
Clerk of the Commission
Box 18

Gainesville Regional Utilities
FY 2001 and FY 2002 Budget

Paula M. DeLaney, *Mayor (At-large)*
John R. Barrow, *Mayor-Commissioner Pro Tem (District II)*
Warren Nielsen, *Commissioner (At-large)*
Chuck Chestnut, *Commissioner (District I)*
Pegeen Hanrahan, *Commissioner (District III)*

Components of Budget

The FY 2001 and FY 2002 budget document is in four sections.

Section A –

Section A is the Flow of Funds section of the document. In accordance with the Utilities Bond Resolution under which utility debt has been issued, GRU is required to budget and set utility rates in accordance with the "Flow of Funds" set forth in the Resolution. The Flow of Funds is essentially the cash flow and priority of payments under the Resolution.

After revenues come into the system, we are required to first pay our Operation and Maintenance Expenses (O&M). Revenues less these O&M expenses are defined as "Net Revenues" under the Bond Resolution.

From Net Revenues, we are first required to pay the principal and interest on outstanding debt. Second we make payments to the Utility Plant Improvement Fund (UPIF), the amount which is calculated under a formula set forth in the Resolution and represent the Utility's equity contribution for capital projects, etc. Finally, we pay for all "Other Lawful Purpose" costs including the General Fund Transfer and our contribution for our share of the forecasted decommissioning costs for Crystal River 3 Nuclear Power Plant.

A Flow of Funds statement for the combined GRU is first presented for each of FY 2001 and FY 2002. These statements are followed by a Flow of Funds statement for each of the five utility systems that compare the current year's budget, the current year's projections and the proposed budget for FY 2001 and FY 2002. Finally a Flow of Funds statement is shown for the combined utility systems for the current and proposed two-year budget cycle.

Section B –

Section B lays out the detail of the O&M expenses by GRU functional area and the major differences in that functional area's FY 2001 O&M expenses compared to the current year's forecasted O&M expenses. For each area, we provide an organizational chart and a written overview of that functional area.

Section C –

Section C details the capital budget for all GRU systems for fiscal years 2001 through 2006. These capital needs are to be funded through our Utility Plant Improvement Fund contributions plus debt funding. More detail of the split between those proposed fundings will be provided during the budget presentation.

Section D –

Section D provides the proposed personal service (positions) budget for GRU.

GAINESVILLE REGIONAL UTILITIES
FY 2001 & FY 2002 BUDGET

TABLE OF CONTENTS

GAINESVILLE REGIONAL UTILITIES
FY 2001 & FY 2002 BUDGET

TABLE OF CONTENTS

GAINESVILLE REGIONAL UTILITIES
FY 2001 & FY 2002 BUDGET

TABLE OF CONTENTS

GAINESVILLE REGIONAL UTILITIES
FY 2001 & FY 2002 BUDGET

TABLE OF CONTENTS

July 14, 2000

Honorable Mayor and
Members of the City Commission

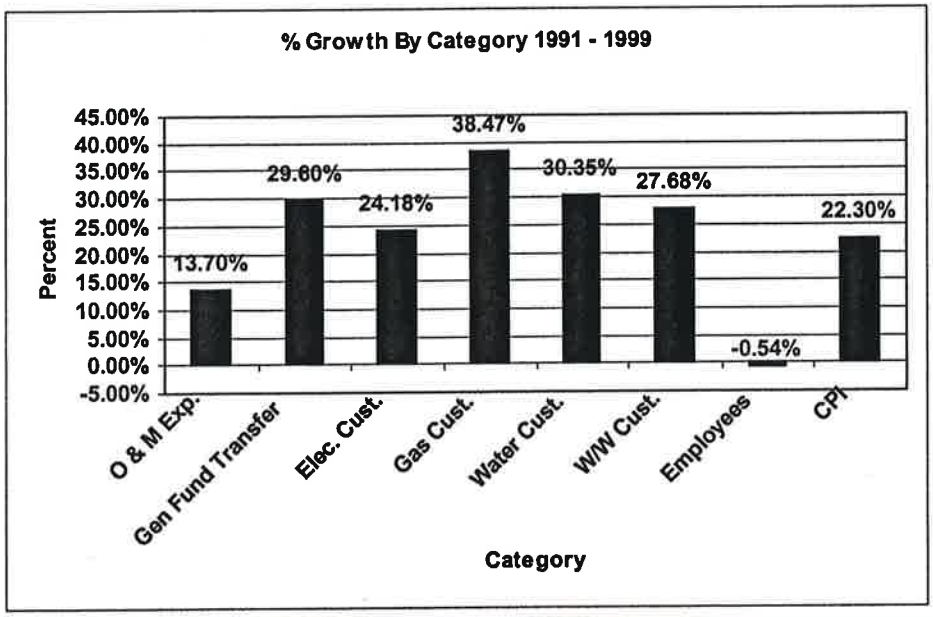
I am pleased to submit the proposed budget for 2000-2001 and 2001-2002 for your review and consideration.

In order to set the stage for discussions during our upcoming budget hearings, this year I have included a supplemental document following this letter. This additional document will provide you with a brief overview of the strategic planning process we have been going through over the last five years in preparing for changes in our industry. Some of you have been involved every step of the way in this process, while others, because of your length of service on the Commission, have had less involvement. I think it is important that you have this background. It should provide you with a historical summary of what we have done to date and also outline some of the pending competitive issues that form our current thinking.

As outlined in the accompanying document, following the completion of a competitive assessment in 1996, we established three major goal areas to focus on in the short term that we felt would help make us more effective in a competitive environment – rate competitiveness, financial strength and customer satisfaction. Let me summarize our progress to date in these three areas.

Pricing

We know that competitive pricing is important to many customers, but not necessarily a requirement in order to be successful in competition. In other words, price alone is rarely the sole deciding factor in purchase decisions. But as customers, we all want to feel like we are receiving good value for our money. So to achieve competitive prices we have been keeping our costs down. The graph below shows our growth in Operating & Maintenance Expenses (O&M), General Fund Transfer, numbers of Customers and Employees, and the Consumer Price Index since 1991. This graph excludes GRUCom since we do not have data for the entire time period represented.



As a result of these ongoing cost controls, we are able to make the following rate recommendations for FY 2001:

- **No change in electric rates**
- **No change in water rates**
- **No change in wastewater rates**
- **A 4.5% increase in natural gas rates**

1) No change in electric rates

- This will be the seventh year in a row we have either reduced rates or held them constant.
- Our rates remain in the lowest quartile for all Florida utilities in residential and large power. Our small and mid-size commercial rates still need improvement and you will hear about some of our ideas for dealing with these issues during the budget presentation.

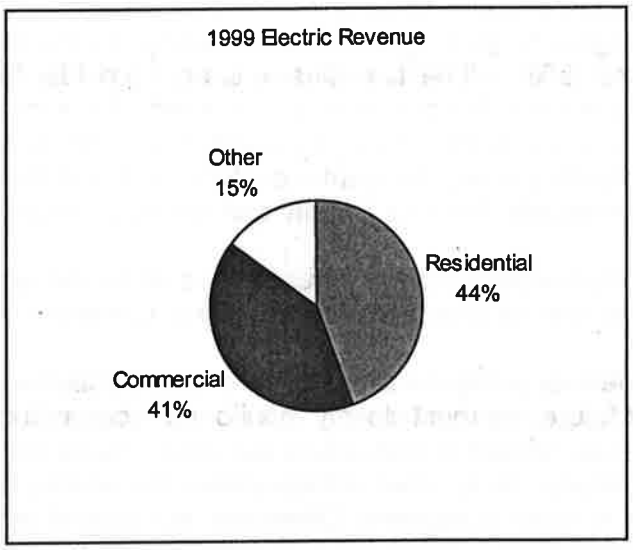
Although we are not proposing changes in electric rates, we will continue to offer our Business Partners Contract for Term.

Why the Business Partners Contract for Term?

- During our competitive assessment in 1996, it was clear that certain electric rate classes were not competitive with neighboring utilities. These rate classes include small, mid-size and large commercial customers. Residential rates were already competitive and, in fact, our cost of service studies showed that commercial rates had been subsidizing residential rates. But because of our cost savings we were able to provide residential customers with a 1 percent electric rate decrease over a two-year period.

- Based on what we knew had happened in other industries that deregulated, and our knowledge of what was taking place in the utility industry, we determined that customers most likely to be sought out by other utility companies and switch suppliers were our business customers, especially our largest customers and chain accounts.

- While business customers make up only 11% percent of our total customers, you can see from the chart below that they represent about 41% percent of our retail electric revenue bringing in close to $54 million in annual retail sales. The loss of some of our biggest customers could have a significant impact on our smaller commercial or residential customers.



- In a review by one of the leading financial rating agencies, Moody's Investors Service expressed concern at our "above average rates" and noted that we would be reviewed further for a possible downgrade of our bond rating.

  "Our review is prompted by the utility's above average power costs at a time of evolving electric industry deregulation and is part of Moody's review of the Florida electric market.... Moody's is evaluating the utility's strategy and program for reducing its power costs and customer rates to levels competitive with the regional marketplace."
  - Moody's Analyst Ed Krauss

Based on these concerns and our own competitive assessment, we developed a rate reduction plan. To do this we mounted strenuous campaigns to reduce costs and enhance revenues. We began a long and continuous process of changing and automating business practices, streamlining our organization, refinancing outstanding debt and developing strategic alliances with other industry members all toward reducing our operating costs. We involved all levels of the organization in this effort and were able to make our first ever electric rate reductions in 1997.

By 1998 it became evident that most customers were unaware we had reduced rates in the prior year. So, following another year of cost reductions, although we were again able to offer steep electric rate decreases, this time we made a strategic decision to ask for something in return for these rate reductions. Since rate reductions were needed in the commercial customer area to improve our competitive position, we decided that rather than wait to offer customer rate reductions at the time retail choice began, we developed a method to provide these savings to our customers immediately in return for a commitment for a long term relationship. We did this through the development of our Business Partners (BP) Electric Contract for Term.

Under the BP agreement we provide a 7 percent electric rate reduction to General Service customers that sign a 10-year agreement, and we provide a 10 percent electric rate reduction for Large Power customers that sign a 10-year agreement. We commit to the discount for ten years and the customer agrees that GRU will be its exclusive energy provider for that ten-year period. Under the terms of the agreement, the customer can terminate the exclusive supplier provisions with 90 days notice, but to do so they must pay a termination fee of $250 and repay the last 36 months (or less if applicable) of any discounts received. Some of the customers on the BP rate include the City of Gainesville, Alachua County and Shands Hospital.

The Business Partners agreement provides program participants cost based rates and provides the utility with retained value in the form of strong protection against customer loss in the future.

Because of the continuous changes occurring in the market and with the likelihood that retail choice will take place in Florida's future, we must closely monitor our competitors and be prepared to alter our price targets as needed or restructure our rates. Since the time we implemented our agreement provisions, many other utilities across the country have started using contracts for term as a way to retain customers. Obviously, this type of contract arrangement is vastly different than the way utilities have applied rates in the past, but the Public Service Commission has approved a number of these type of agreements for public and investor-owned utilities in Florida.

- Our efforts to sign our commercial customers to Business Partners ten-year agreements has been very successful and we will continue to sign up customers to protect other utility customers and the General Fund from lost revenue:

  As of June 2000:
  - 83% of revenue in our top 100 is under a BP agreement
  - 71% of revenue in our top 400 is under a BP agreement

2) No change in water rates.
- This is the fifth year in a row in which we will have no across the board increase in water rates.
- Our rates remain in the lowest quartile for Florida utilities.
- We are extremely concerned about the amount of water being used for irrigation purposes, and we would like to discuss some potential water conservation measures with you during the budget presentation.

3) No change in wastewater rates.
- This is the eighth year in a row in which wastewater rates have not changed.
- Our rates remain in the lowest quartile for Florida utilities.

4) A 4.5 % increase in gas rates.
- Even with this increase, our gas rates remain among the lowest in the state.
- The need for this increase is due to decreased sales (mild winter), increasing costs and the costs associated with the Town Gas cleanup.

Our telecommunications division, GRUCom, actively competes head-to-head with private telecommunication providers. We continue to expand our services and attract new customers thanks to our competitive prices and high service standards.

Financial Strength

Throughout the past fiscal year we maintained our "AA" bond rating with Standard and Poor's Corporation and Moody's Investors Service. This is an extremely high rating shared by only 16 other utilities throughout the nation. Our "AA" rating allows us to keep borrowing costs down, and we will continue to communicate with the rating agencies to keep these ratings.

Another important aspect of our financial strength is our outstanding debt. The utility industry, because of the complex infrastructure necessary to provide service, is extremely capital intensive. Since 1993 we've reduced our debt by almost $100 million, and we continue to monitor ways to bring this down further.

General Fund Transfer

The General Fund Transfer in the 2000-2001 and 2001-2002 fiscal years generates $23,972,000 and $24,880,000 respectively (based on a proposed change in formula). During last year's budget session the City Manager and I recommended that the electric portion of the General Fund Transfer be reviewed for possible changes during the next budget presentation. GRU and General Government staffs have been working on a change to the Electric System General Fund Transfer to better protect the General Fund from the uncertainty of electric competition. The formula being proposed by the City Manager and myself includes a baseline component providing the General Fund a return on its investment in the electric utility similar to an investor-owned electric utility and a growth factor based on units of power delivered. Additionally, there are incentive payments based on the Electric System's performance. This is a higher bar than in the past and amounts to an increase in the Electric System General Fund Transfer of approximately $528,000. The incentive payment based on performance can increase that amount even more.

We have spoken to the City Commission about the potential need to eliminate the electric surcharge due to competitive issues. The City Manager and I agree that when we believe the electric surcharge in the unincorporated area of our service territory creates a competitive disadvantage, we will jointly recommend its elimination.

To be successful we will need commission support to help us 1) be competitive, 2) respond quickly, 3) focus on our business objectives, 4) recognize that we can't be all things to all people, and 5) maintain a positive image with our customers and community.

Budget Overview

We continue to control costs through innovation and by using our competitive strengths as a multi-service utility. Our multi-year attrition program that has helped hold down increases in employees remains in place and has helped us cut costs for a number of years. This year however, we are requesting an increase in employees. As you know, GRUCom is forecasting increased business and revenues and will add four new positions throughout the year. The remainder of the increases are in the technology support area, environmental support, power generation and other support functions. The 2001 budget proposes 9.9 additional full-time equivalent positions.

Our FY 2001 operation and maintenance expenses, excluding fuel, amount to approximately $56.6 million, an increase of 4% over the FY 2000 budget. The largest portion of this increase is due to negotiated salary increases and additional GRUCom expenses if the business and revenue forecasts materialize.

Our proposed capital budget amounts to approximately $58 million and $41 million for the 2001 and 2002 fiscal years respectively. There are many exciting and necessary projects mentioned below which we will discuss with you during our budget session.

Strategic Issues for Fiscal 2000-2001

In addition to the three goal areas discussed above (rate competitiveness, financial strength and customer satisfaction), we must also focus on other aspects of our business. These were documented in the Strategic Business Plan initially presented to the Commission in June 1998. The major Gaps and strategies that are being implemented to close these Gaps are discussed below.

Customer Satisfaction

Each of us has an opinion about how best to serve the customer, and it is human nature to think that most other customers think like we do. However, we know that consumers buy products for many different reasons, and research will help us to determine the likes, dislikes, purchasing habits, and decision triggers using a process called customer segmentation.

- For a manufacturing company, power quality and reliability may be the most important factor, but for a large grocery store, it may be price.
- Residential customers may make purchase decisions, for example, based on the convenience of one stop billing, the source of the energy, or the fact that the profits stay in the community. Conversely, they may choose to switch because they perceive a multiple service bill to be too high, because they want frequent flier miles, or because they think the private sector can provide services more efficiently than a government owned utility.

Obviously when choice becomes available, we will not be able to be all things to all people and make everyone "happy." Some customers will switch and some will choose us. Our difficult task is to learn the needs of each of our customer groups, determine which customer segments we can serve better than anyone else and then aggressively prepare ourselves to be the provider of choice for these segments, both within our present service territory and outside it.

We will also need to embrace the fact that our characteristics will not make us a good provider for all customers. A basic tenet of the marketplace is that any provider who tries to be both a Wal-Mart and Saks Fifth Avenue will fail. To determine the segments in which we can compete best, we are putting a priority on customer research. Research will be an ongoing process at GRU in order to reflect the changes in customer wants and needs over time.

Customer Service and Loyalty

We have worked hard to provide a high level of service to all GRU customers. We have changed our culture to respond to the needs of our customers and have made the following service enhancements:

- New deposit policy means 80 percent of customers no longer pay a deposit
- Applications for service taken by phone or fax
- Customer surveys and focus groups conducted
- Quality of water information campaign implemented
- Consumer Water report implemented
- Year 2000 rolled over successfully with no service disruption
- Rebates for solar water heating (in two years we've provided 14 rebates)
- Rebate amounts for gas appliances increased
- Water reuse program expanded
- The utility continued to experience considerable success in its utilization of small, disadvantaged and minority owned business enterprises. Through June 2000, the minority business element of disadvantaged business spending has increased by 63% or $345,000 over the total for FY 99.
- Initiated a GRU gift certificate program last holiday season
- Converted substantial overhead facilities to underground
- A 2 million-gallon ground storage tank and re-pump station was installed to meet peak demands in the northwest and southwest areas of the service area

Customer loyalty is defined by many factors including value for the price, reputation and service. Our community outreach, and also communicating about our outreach efforts, are part of our overall strategies to improve our image in the community and add value. Last year we were involved in the following:

- Boulware Springs pump house promotional brochure revised, mailing to promote rental of the facility featured in Chamber newsletter
- Caretaker's house at Boulware Springs renovated and is being used by Florida Wildlife Care
- Veteran's Day Chapman's Pond event held. Construction on Phase 1 of a new reclaimed water project located between the Veterans Memorial Park and the Chapman's Pond Observatory was completed. The Chapman's Pond Nature Trails project returns water to nature through a series of shallow ponds and creeks designed to allow reclaimed water to percolate through the earth. This project will help recycle approximately 1 million gallons per day of reclaimed water.
- Williams Elementary School Mentoring, Tutoring and Fundraising

- With the cooperation of the Suwannee River and St. Johns River Water Management Districts, we secured a $600,000 grant from the United States Department of Agriculture to help purchase a construction-free conservation easement for more than 7,100 acres of land surrounding our Murphree Water Treatment Plant wellfield. The total purchase price was $6 million and the utility's share of the purchase price was just over $1 million.
- Sustainable Construction - Summer House - new contract drafted and additional funding approved by Commission
- The Kelly Repowering community meetings and design charrettes were held and the City Commission approved the project. This project will provide Gainesville with five times the energy to help meet future demand while reducing our emissions by half.
- GRU became the official energy sponsor of the Florida Gators.
- Tickets provided to customers and employees through special promotions
- Tickets provided to over 5,000 local children, including disadvantaged youth from non-profit agencies
- Several hundred dollars raised using UF-FSU football tickets to get donations for our adopted school, Williams Elementary.
- A Rooftop Photovoltaic program known as Solar in the Schools was initiated and implementation is expected in FY 2001.
- GRU became an ENERGY STAR Building Ally. The ENERGY STAR label for buildings is a new initiative from the USEPA and Department of Energy (DOE) that recognizes commercial buildings with superior energy performance. Pizza Hut, one of the companies that has taken advantage of our commercial survey, was nominated for this award.
- Provided mini-grants to public schools to help schools with small school-related expenses.
- Assisted in efforts to get two new PM 2.5 monitors for Gainesville. Originally only one was slated for Gainesville. The first of the two monitors was placed in operation at the utility's Millhopper Substation and introduced to the public during a formal ceremony. A second monitor was installed and placed in operation in the southwest urban area on September 12, 1999.
- Our third annual "Electrifying Celebration" attracted thousands of customers to educational displays and entertainment ranging from magic shows to bucket truck rides. This event includes a number of city service representatives such as the Police Canine Unit and helicopter, GFR Clowns, etc.
- GRUCom began implementation of a new public safety trunking radio system.
- Our Internet service GRUNet grew to 2800 customers.

Energy

- **Provide electric energy at, or below, competitive market prices.**

- Optimize mix of power supply resources
- Keep production costs of existing generating units low
- Keep fuel supply costs low
- Optimize energy trading strategies
- Reduce use of, or dispose of, non-competitive energy supply resources

To meet this goal, while ensuring generation reliability, the budget includes:

- Full participation in The Energy Authority (TEA), a premier public power marketing agency, as an equity member to handle our interchange sales. Last year interchange sales were approximately $11.2 million.
- Complete the Kelly Repowering project
- Refurbish JR Kelly Unit 8 Cooling Tower
- Emat Survey of Deerhaven Unit 2 Boiler/Furnace (boiler tube inspection)
- LP (low pressure) Turbine Inspection for Deerhaven 1
- Annual Steam Generation Inspection for Deerhaven Unit 2
- Replace Coal Track Ties (four-year program)
- Continue development of wholesale electric and gas marketing strategies
- Continue development of Risk Management Strategies to control energy price risk exposure

Marketing and Customer Service

- Enhance customer retention strategies
- Develop a new retail products and services strategy
- Develop electric and natural gas penetration strategies

To meet this goal the budget includes the following:

- Combine the marketing and communications departments
- Conduct customer focus groups
- Conduct quantitative loyalty and satisfaction studies for various customer segments
- Develop a strategic positioning plan for GRU
- Implement positioning through community outreach efforts and other promotional efforts
- Redesign our web page from an "information only" site to one that is interactive and customer driven (research based). Some of the initiatives may include:
  - Access to account information
  - Energy consumption history and online energy audit
  - Streetlight outage reporting
  - Service initiation and termination
  - Neighborhood Link – free web sites for neighborhood groups and non-profit organizations
  - An online newsletter or listserver
- Hold a Dedication Ceremony for the Kelly Repowering Project for Depot area neighbors and the public
- Hold the 4th Annual Electrifying Celebration and relocate it to the downtown plaza
- Develop a water display for the Children's Museum
- Continue outreach efforts with the Gator sponsorship
  - Game Day with the Gators - provides school children and disadvantaged youth with tickets to Gator games.
  - Customer ticket give-away
  - Fundraising efforts

- Continue to support Williams Elementary as our Adopt-a-School by providing mentors, tutors, fundraising and other support
- Promote Apartment Hunters as a satellite office and use to promote GRUNet
- Increase gas revenue through promotion of rebates, infill (especially in Southeast and Northeast) and continued system expansion
- Increase GRUNet customers to 4,000
- Support employee communication efforts through the newsletter and our Intranet GRUPERNET
- Continue to promote the use of Boulware Springs to the community
- Continue to promote the use of Chapman's Pond and Nature Trails
- Continue to sign customers to Business Partners agreements
- Expand and promote current Business Partners services:
  - GRUCom Services
  - Online "real time" metering information
  - Infrared scanning
  - Commercial energy surveys
  - Onsite generation such as Fuel Cells and other forms of Distributed Generation
  - Lighting service
- Promote GRU's electric vehicle
- Continue to expand our customer payment options
- Continue to promote replacement of private wells and septic tanks
- Develop a marketing database
- Participate in Low Income Community Assistance Program (LICAP) in East Gainesville and other targeted areas
- Continue to expand the natural gas system through LP (Liquefied Petroleum) Distribution Systems
- Promote the EPA Commercial Energy Star Program
- Continue residential conservation surveys and promote the self audit and any new online energy services
- Design an energy education kiosk for the Summer House
- Implement changes to make the billing system easier to use, reducing customer wait time and increasing customer satisfaction
- Provide information on energy and water conservation

Environmental Stewardship

In our VMV we say, "We will be good stewards of the resources entrusted to us." GRU subscribes to a very high level of environmental stewardship. Next year in the budget we will:

- Design an energy conservation educational kiosk at Summer House
- Promote the EPA's Commercial Energy Star Program. GRU became an ENERGY STAR Building Ally. The ENERGY STAR label for buildings is a new initiative from the USEPA and Department of Energy (DOE) that recognizes commercial buildings with superior energy performance.
- Continue the Trade-a-Tree and Tree-Mendous Appreciation Day programs

- Review results from a study initiated through a Partnership Agreement with the St. Johns River Water Management District (SJRWMD) and the Florida Department of Environmental Protection (FDEP) to determine the cause of certain undesirable vegetation in Paynes Prairie. GRU is contributing $57,945 and the City's Stormwater Management Utility is contributing $85,197 toward the study.
- Assist in air quality monitoring efforts through the two PM 2.5 monitors in the northwest and southwest.
- Implement the remediation of the former site of the Town Gas manufactured gas plant
  - Participate in the management and funding of the additional studies and risk assessment needed to design the remediation of the off site discharges from the Town Gas manufactured gas plant site onto the proposed Stormwater Park site
- Implement the outcome of ongoing discussions with the Alachua County Department of Environmental Protection as related to the crude oil spills on the Kelly Plant site that occurred in the 1940's
- Participate in the funding, specification, and data collection for an air quality model of Alachua County to aid in policy development.
- Promote the electric vehicle
- Implement and promote the "Solar in Schools" program

Human Resource Management

Implement competitive market compensation practices that link pay to performance
Implement competitive market employee benefit programs
Implement improved policies and procedures
Coordinate business practice changes with labor agreements
Streamline the job classification system
Ensure that our work force reflects our community

To meet these goals the budget includes the following action items:

- Work strategically with the HR Department to assess and develop business solutions to assist in retaining and recruiting the best employees.
- Perform organizational effectiveness and staffing analyses to assure that GRU is structured and staffed for optimum operations
- Evaluate employee skills and development opportunities to assure that GRU employees have the knowledge, skills and abilities to meet current and future organizational objectives.
- Establish data and information systems to develop, analyze, report and benchmark human resources and organizational development information to define GRU's competitive position and make strategic recommendations.
- Develop and implement a performance management, development and reward system linking individual, team, and department performance to GRU's organizational goals.
- Continue new employee orientation
- Continue Leadership GRU
- Continue to make improvements in employee communication
- Continue to enhance GRU's diversity by developing effective targeted recruiting, validated selection processes and change management initiatives.

- Continue the work of the diversity team. A diversity team made up of management, professional and non-exempt, male, female and minority employees was created at GRU to ensure a diverse work force through employee involvement.
- The Affirmative Action Task Force completed an update of the Affirmative Action Plan and it was presented to the Commission in March 1999. In addition, a number of the action items identified in the 1998 plan update were completed.
- Keep employees involved in decision making through the use of self-directed work teams and participatory management.
  - Since 1998, over 150 employees have served on teams to help improve our processes and better serve our customers.
  - At Kanapaha Water Reclamation Facility, a supervisory position was not replaced. Instead, employees rotate the supervisory duty.
- Continue to utilize the Interest Based Bargaining (IBB) process. IBB has created unprecedented improvements in teamwork and cooperation and helped us reach consensus on many issues related to pay and benefits

Financial Management

Develop unbundled pricing
Reduce debt service
Maintain present credit ratings

To meet these goals, the budget includes the following:

- Implementing a program to manage financial risks
- Continued focus on ways to reduce debt
- Continued focus on ways to increase investment earnings
- Continued communication with the rating agencies
- Continued communication with the investment community
- Development of interruptible, curtailable and other electric rates that meet the demands of a competitive industry

Cost Containment/Business Efficiency

Some of the cost control measures that are integral to maintaining competitive rates include the following:

- Implement the work order phase of MIMS
- Continue to decrease the amount of uncollectible customer accounts
- Continue expansion of the reclaimed water utility
- Conduct reviews of business practices to ensure effectiveness and efficiency
- Continue a cross functional capital project planning process each year
- Implement an integrated financial management and work order system
- Continue to reallocate resources as needed to meet new demands and to optimize internal resource requirements

- Implement methods to reduce Murphree Water Plant chlorine and lime use saving approximately $80,000 a year and improving treatment
- Implement e-commerce initiatives – bids, sale of surplus equipment, publishing standards catalog over the Internet, etc.
- Cooperative purchasing initiatives with other utilities to reduce costs
- Implement new budgeting software to improve productivity and accuracy
- Increase water meter reading accuracy and reading times with the use of a water meter vacuum system
- Increase revenue protection efforts

Legislative and Regulatory

Enhance review of existing and proposed laws, rules and regulations.
Increase involvement at state and national levels.

To meet these goals, the budget anticipates the following:

- Preparation of the annual legislative agenda for City Commission approval
- Increase lobbying efforts
- Participation in State and Federal industry associations for identification of and involvement in issues of importance
- Involvement in national deregulation efforts

In addition to the programs and projects mentioned above that will help close key GAP areas, there are also a multitude of projects that reflect our commitment to quality service and community standards. They include the following:

- Acquire and develop sites for future Power Delivery Systems
- Construct a new gate station in Northwest Gainesville
- Construct a Power Delivery System (PDS) near SW 91st Street and Archer Road adjacent to the existing 138kv transmission line
- Expand the Kanapaha Reclamation Facility by 5 mgd and promote increased use of reclaimed water
- Design and construct an ultraviolet disinfection system at the Main Street Wastewater Treatment Plant
- Expand the Murphree Water Treatment Plant by adding two new wells
- Upgrade the water distribution system to improve flow capacity and water pressure
- Continue inflow and infiltration work on the wastewater collection system in Hogtown Creek and other areas
- Extend fiber backbone and promote fiber ring expansion
- Increase number of "on net" buildings
- Complete Trunking Radio system
- Implement GRUCom high speed Internet service in multi-family dwellings
- Implement new product lines to increase revenue

- Coordinate Microsoft Windows 2000 server implementation with computer services division of General Government
- Migrate Microsoft desktop environment to Windows 2000

This is simultaneously a very difficult and exciting time for the utility. Difficult because it is hard to bridge our present world of government monopoly with our future world as a market competitor. The level of change we are experiencing at times causes discomfort for our citizens, customers, employees, and elected officials. I can assure you that for staff, there are many sleepless nights.

We are all accustomed to living in a world where our customers have no choice and the squeaky wheels are the first to have their needs met. But in this new competitive environment, we know that customers will vote with their pocketbooks. To be successful we will have to determine which of those customer segments we can most effectively serve and then meet those customers' needs better than anyone else.

This is also a time of change. Already the prospect of deregulation has spurred us to get to know our customers better, solidify our relationships with our employees, reduce our rates, make significant alliances with other utilities, and set unprecedented high standards for our responsibilities to the citizens of Gainesville. For our employees the challenge of competition has been a mix of adventure and fun as we move into uncharted waters. We look forward to the opportunity and challenges this budget presents as we continue to embrace change.

Michael L. Kurtz
General Manager

Overview of GRU's
Strategic Business Planning Process

The GRU Strategic Business Plan in place today is the culmination of several years of development effort and continuous refinement by utility staff. Following each major milestone, staff presented the results of its efforts to the City Commission through public meetings and workshops. The primary purpose of the information included in this document is to summarize the evolution of the business plan development process at GRU. This summary was prepared for the benefit of those elected officials and citizens who may be reviewing the plan in its current status, but who did not have the opportunity to be involved in the development process during its formative stages. It should also serve as a helpful refresher for those elected officials and other individuals who were involved each step of the way. Another purpose is to provide context to the discussion in the accompanying budget transmittal letter and to facilitate dialogue during the budget hearing process. Therefore, we have also supplemented this historical summary with a discussion of a number of pending competitive issues that form the basis of our current thinking.

Competitive Assessment

In 1995 staff completed a competitive assessment to help us determine how we measured up against our regional competitors. To address the results of this assessment the utility began the implementation of business changes focused in three major goal areas – rate competitiveness, financial strength and customer satisfaction.

The VMV

Following the completion of the initial competitive assessment in 1995, we developed the present Vision, Mission and Values (VMV) for the utility. Our VMV is intended to act as a guide for where we want to take the utility in the future and the standards to which we will hold ourselves in our efforts to get there. The VMV was developed with the involvement and feedback of all employees through a combination of small and large workgroup sessions and was designed to facilitate efforts to get every employee engaged and working toward a common organizational goal. The VMV developed through this process is incorporated as the last page of this document.

Strategic Business Plan

The third step in our process was the development of an initial strategic business plan. In developing the initial plan and subsequent revisions, staff focuses its efforts on four major areas. These include:

1) Identifying our strengths, weaknesses, opportunities and threats as they relate to the business environment in which we operate;
2) Creating scenarios of the future with which to develop and evaluate business strategies;
3) Defining success in terms of measurable business goals to become competitive and stay competitive; and
4) Developing and prioritizing measurable market-driven strategies to achieve our business objective.

A major outcome of this effort came in June 1998 with publication of our initial strategic plan and our organizational business objective. That business objective is:

"To increase net revenues (General Fund Transfer)
over the long term by optimizing market share."

There are two key components to this objective to which staff pays particularly close attention. First, this business objective recognizes that short-term gains may need to be set aside to achieve longer-term gains. And second, optimizing market share means that we will need to carefully plan our business strategies and invest our resources wisely in those services that bring us the best return on our investment. In other words, our goal is to increase the General Fund Transfer over the long term, by carefully choosing which customers we can most successfully compete for and then developing our product, service and marketing plans accordingly. The initial plan and subsequent revisions have come to be known as the "green books," and each commissioner and the Mayor has been provided a set. The business plan is updated annually, or more often as necessary.

Pending Competitive Issues

Other important aspects of our business planning efforts include constantly monitoring changes taking place in our industry and following the efforts of our competitors closely. Here is a brief summary of some of the major factors impacting our current decision making:

1. **Deregulation of the retail electric market**

Although none of us has a crystal ball to predict exactly the form and timing that industry restructuring will take place in Florida, our planning horizon for retail deregulation is now 2004. Due to the complex nature of the process, this is and has been a moving target. We have many folks monitoring our competitors and the legislation. We also keep up with what is occurring around the country. Wholesale competition in its earliest form came about when congress adopted the Public Utility Regulatory Policies Act (PURPA) in 1978 which provided opportunities for non-utility investors to build and operate electric generating facilities and sell the output to regulated utilities. In 1992, congress adopted the National Energy Policy Act (NEPA) which initiated regulatory changes to start the process of opening up the nation's high voltage electric transmission grid to competitive sales and purchase transactions. Now, we are awaiting additional changes on the national level and changes at the retail level in Florida. Here's what we do know:

- At the present time, 18 states have signed legislation that will allow customers to choose their retail power supplier.
- Every other state has ongoing retail restructuring activities in progress such as major legislation filed and under debate, regulatory activity underway or legislative study committees evaluating options.
- Florida's Governor Jeb Bush created the Energy 2020 Study Commission by executive order this spring to determine what Florida's electric energy needs will be over the next 20 years. The committee's report is to be presented no later than December 1, 2001. Most believe this effort will include a recommendation about the approach that Florida should take in regard to industry restructuring. The commission will be composed of 17

members: 13 appointed by the governor and two each by the President of the Senate and the Speaker of the House. Additionally, the Chairman of the Florida Public Service Commission and the Public Counsel will serve as non-voting members. If the Governor's study commission generates its report on time, legislative proposals could be generated for introduction in the legislature during the 2002 session. Since complex legislation usually requires debate through two legislative sessions, it is our expectation that change to Florida law is not likely to occur until 2004.

- The U.S. Senate passed new reliability legislation the end of June. This limited scope bill was passed after the Senate Energy and Natural Resources Committee failed in its attempt to gain support for more comprehensive legislation due to strong opposition from a number of key industry sectors about what should be included in a comprehensive legislative package and how the legislation should be framed. The House Commerce Committee has had a comprehensive bill pending since it left the Energy and Power Subcommittee last year. The chairman of the Commerce Committee has not supported the bill in its present form and has been working with other committee members in an attempt to draft compromise language. Final action on the pending Commerce Committee legislation is uncertain at this time.

2. Competitive pressures in electric and gas

- Several of our large customers have developed relationships with other energy providers. Billing and energy services for these customers are now handled by third party energy services companies, thereby removing GRU from this component of service delivery. For example, Burdines bills are sent to Service Resources, Inc. who in turn pay the bills for all Burdines stores. We were recently informed that the parent company of the Oaks Mall is attempting to negotiate a national energy contract with Enron. Under current regulations, the Oaks Mall cannot purchase electricity from another provider since Florida's retail market is not yet deregulated; however, when deregulation occurs they may already be under contract with another energy provider.
- Several large customers have also been approached about installing on-site generation, commonly referred to as distributed generation facilities. This technology can easily be used to bypass GRU's power supply and distribution system altogether.
- Tampa Electric Company (TECO) purchased People's Natural Gas in 1998 and shortly after purchased Griffis Gas here in Gainesville. TECO now provides Liquid Petroleum (LP) gas in our service area. TECO signs are displayed around Gainesville and they advertise heavily on the Gator radio network.
- Large international energy companies such as Southern Company and Enron have begun "brand awareness" campaigns that appear on Cox Cable stations in the Gainesville market.
- A Florida Investor Owned Utility's strategic plan calls for the takeover of municipal utility systems.
- The Florida Public Service Commission issued an order this year requiring investor-owned gas utilities to allow business customers the opportunity to purchase gas from competing suppliers. To date, this has not impacted GRU for several reasons. First, the Public Service Commission does not regulate our gas service; and second, our rates are the lowest in the state. We feel, however, that it is only a matter of time before customers will demand a choice of natural gas suppliers.

- These same competitive pressures, along with the threat of retail choice for electric service, have resulted in an urgency to make sure our electric prices are competitive. As we are experiencing the need to reduce our costs, our customers' expectations are increasing, requiring that we provide them with an even higher level of service.

3. Customer growth in all systems

- Our annual customer growth rates for each system are as follows:

Electric	2.8%	Gas	3.2%
Water	4.8%	Wastewater	4.4%

At the present time, there are no barriers to the continued geographic expansion of our natural gas, water or wastewater services. On the other hand, the service area for the electric system is constrained by the boundaries of a territorial agreement entered into with Clay Electric Cooperative in the late 80s. This boundary has started to limit growth in both the number of new electric customers and in revenues for the electric system to levels below those previously experienced.

4. An extremely tight labor market

- The labor market continues to be the tightest in decades - unemployment is around 2% in Alachua County. This trend is expected to continue for the next five to ten years, with the greatest shortages in the technical and skilled areas - positions typically in high demand in utilities. To be competitive the utility must be staffed and structured to achieve maximum productivity. Consequently, we must continue to look for ways to not only attract new employees, but also to retain, develop and reward our existing employees to meet critical skill needs. The competition is after our employees as well as our customers!
- In some GRU departments, up to 30% of the employees are currently eligible to retire. This potential loss of skilled employees, coupled with the tight labor market, make it important for GRU to do effective workforce planning and development in order to assure we have the skilled employees necessary for effective operations.
- We have identified the need for a diverse workforce as a business necessity and competitive advantage. In the past year, we increased staff resources in the area of Community Relations to help us increase the use of minority businesses, improve recruiting of local minority applicants and help us create alliances with universities such as FAMU, Bethune Cookman, and UF. These internship programs provide us with quality minority students prior to graduation before the competition for their skills becomes much greater.
- A diversity team was also formed last year to help us focus on and facilitate continuing diversity efforts that will allow us to compete for and retain the best and brightest employees.

5. Technological change is requiring new skills and new ways of doing business

- The Internet is changing the way most of us communicate and the way organizations do business. International Data Corporation (IDC) predicts that by the end of 2000, 29% of people who go online will purchase goods and services, and that percentage will swell to 38% by 2003. Not only is the number of Web purchasers increasing (according to IDC) so is the size of the average transaction. When they add all this up, IDC predicts $1.6 trillion being spent on Internet commerce in 2003.
- In states that have implemented retail choice, online energy purchasing is becoming common place. Services via the Internet such as bill presentment and payment, real time account information, energy consumption information and even the purchase of energy supply products are becoming more and more common. New web sites that offer online energy purchasing include: Greenmountain.com and Utility.com.

OUR VISION

The Utility of Choice

OUR MISSION

We will provide safe, reliable, and competitively priced utility services that consistently meet our customers' needs and expectations.

We will deliver our services through a team of innovative, self-motivated, and caring employees of the highest integrity.

We will ensure the financial vitality of the utility and return superior value to the community for its investment.

CUSTOMER VALUES

The satisfaction of our customers defines our success.

We will respond to our customers promptly, with empathy, and with respect for their unique circumstances.

EMPLOYEE VALUES

Together we will promote an environment that fosters innovation, self-motivation, and caring.

Together we will promote an environment that encourages each of us to strive to reach our maximum potential.

BUSINESS CULTURE

We will conduct our business with the highest level of honesty and integrity; anything less is unacceptable.

We will be good stewards of the resources entrusted to us.

We will pursue continuous improvement and innovation to create a competitive advantage.

GAINESVILLE REGIONAL UTILITIES
FLOW OF FUNDS SUMMARY
FY 2001 BUDGET

COMBINED SYSTEM

	ELECTRIC SYSTEM	GAS SYSTEM	WATER SYSTEM	WASTEWATER SYSTEM	GRUCom SYSTEM	COMBINED SYSTEM
REVENUES						
RETAIL & WHOLESALE SALES/CHG.	98,122,000	16,286,200	12,756,000	15,896,000	6,690,000	149,750,200
REVENUE CHANGES	0	403,000	0	0	0	403,000
FUEL ADJUSTMENT	32,501,000	0	0	0	0	32,501,000
INTERCHANGE SALES	13,156,000	0	0	0	0	13,156,000
CONNECTION CHARGES	0	0	1,580,000	2,178,000	0	3,758,000
OTHER REVENUES	2,629,000	0	20,000	22,000	0	2,671,000
INTEREST INCOME	5,000,000	400,000	1,100,000	1,664,000	88,000	8,252,000
SUB-TOTAL	151,408,000	17,089,200	15,456,000	19,760,000	6,778,000	210,491,200
RATE STABILIZATION TRANSFER (1)	(8,923,416)	(444,031)	1,118,652	2,354,629	1,221,878	(4,672,288)
TOTAL REVENUES	142,484,584	16,645,169	16,574,652	22,114,629	7,999,878	205,818,912
OPERATION & MAINTENANCE (O & M) EXPENSES						
FUEL EXPENSE:						
RETAIL & WHOLESALE	42,667,000	0	0	0	0	42,667,000
INTERCHANGE	5,412,000	0	0	0	0	5,412,000
TOTAL ELECTRIC FUEL EXPENSE	48,079,000	0	0	0	0	48,079,000
PURCHASED GAS	0	8,653,000	0	0	0	8,653,000
OTHER O & M EXPENSES (1)	34,030,584	3,774,169	6,848,652	8,596,629	3,368,878	56,618,912
TOTAL O & M EXPENSES EXCLUDING CONTINGENCY RESERVE	82,109,584	12,427,169	6,848,652	8,596,629	3,368,878	113,350,912
NET REVENUES						
INTERCHANGE	7,744,000	0	0	0	0	7,744,000
OTHER	52,631,000	4,218,000	9,726,000	13,518,000	4,631,000	84,724,000
TOTAL NET REVENUES	60,375,000	4,218,000	9,726,000	13,518,000	4,631,000	92,468,000
USE OF NET REVENUES						
DEBT SERVICE	24,305,000	2,131,000	4,146,000	5,873,000	3,816,000	40,271,000
UTILITY PLANT IMPROVEMENT FUND	19,601,000	1,023,000	2,642,000	3,656,000	543,000	27,465,000
CR3 DECOMMISSIONING FUND	760,000	0	0	0	0	760,000
GENERAL FUND TRANSFER	15,709,000	1,064,000	2,938,000	3,989,000	272,000	23,972,000
NET REVENUE/(DEFICIT)	0	0	0	0	0	0

(1) Excludes amounts associated with the Contingency Reserve for O & M Expenses.

GAINESVILLE REGIONAL UTILITIES
FLOW OF FUNDS SUMMARY
FY 2002 BUDGET

COMBINED SYSTEM

	ELECTRIC SYSTEM	GAS SYSTEM	WATER SYSTEM	WASTEWATER SYSTEM	GRUCom SYSTEM	COMBINED SYSTEM
REVENUES						
RETAIL & WHOLESALE SALES/CHG.	100,598,000	16,919,500	13,040,700	16,297,000	9,246,000	156,101,200
REVENUE CHANGES	0	810,000	0	0	0	810,000
FUEL ADJUSTMENT	30,444,000	0	0	0	0	30,444,000
INTERCHANGE SALES	13,584,000	0	0	0	0	13,584,000
CONNECTION CHARGES	0	0	1,580,000	2,178,000	0	3,758,000
OTHER REVENUES	2,734,000	0	20,000	22,000	0	2,776,000
INTEREST INCOME	7,642,000	471,000	893,000	1,682,000	22,000	10,710,000
SUB-TOTAL	155,002,000	18,200,500	15,533,700	20,179,000	9,268,000	218,183,200
RATE STABILIZATION TRANSFER (1)	(10,364,197)	269,047	1,983,891	3,164,220	684,502	(4,262,537)
TOTAL REVENUES	144,637,803	18,469,547	17,517,591	23,343,220	9,952,502	213,920,663
OPERATION & MAINTENANCE (O & M) EXPENSES						
FUEL EXPENSE:						
RETAIL & WHOLESALE	44,414,000	0	0	0	0	44,414,000
INTERCHANGE	5,739,000	0	0	0	0	5,739,000
TOTAL ELECTRIC FUEL EXPENSE	50,153,000	0	0	0	0	50,153,000
PURCHASED GAS	0	9,126,000	0	0	0	9,126,000
OTHER O & M EXPENSES (1)	34,811,803	3,874,547	7,056,591	8,869,220	4,239,502	58,851,663
TOTAL O & M EXPENSES EXCLUDING CONTINGENCY RESERVE	84,964,803	13,000,547	7,056,591	8,869,220	4,239,502	118,130,663
NET REVENUES						
INTERCHANGE	7,845,000	0	0	0	0	7,845,000
OTHER	51,828,000	5,469,000	10,461,000	14,474,000	5,713,000	87,945,000
TOTAL NET REVENUES	59,673,000	5,469,000	10,461,000	14,474,000	5,713,000	95,790,000
USE OF NET REVENUES						
DEBT SERVICE	21,525,000	3,121,000	4,455,000	6,244,000	3,772,000	39,117,000
UTILITY PLANT IMPROVEMENT FUND	21,208,000	1,172,000	2,934,000	4,058,000	1,661,000	31,033,000
CR3 DECOMMISSIONING FUND	760,000	0	0	0	0	760,000
GENERAL FUND TRANSFER	16,180,000	1,176,000	3,072,000	4,172,000	280,000	24,880,000
NET REVENUE/(DEFICIT)	0	0	0	0	0	0

(1) Excludes amounts associated with the Contingency Reserve for O & M Expenses.

GAINESVILLE REGIONAL UTILITIES
FLOW OF FUNDS COMPARATIVE SUMMARY
FY 2001 AND FY 2002 BUDGET

ELECTRIC SYSTEM

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	Difference As % of 2000 Projection	% Difference 2002 Budget vs 2001 Budget
Revenues						
Retail & Wholesale Sales:						
Residential	44,481,000	43,358,000	45,285,000	46,421,000	4.4	2.5
Non-Residential	41,932,900	41,314,300	43,485,900	44,477,100	5.3	2.3
Surcharge	3,163,000	3,115,000	3,391,000	3,492,000	8.9	3.0
Sales For Resale	5,809,100	5,723,700	5,960,100	6,207,900	4.1	4.2
Total	95,386,000	93,511,000	98,122,000	100,598,000	4.9	2.5
Revenue Change Including Surcharge					N/A	N/A
Total Retail & Wholesale Sales	95,386,000	93,511,000	98,122,000	100,598,000	4.9	2.5
Fuel Adjustment	28,319,000	31,258,000	32,501,000	30,444,000	4.0	(6.3)
Interchange Sales	5,917,000	7,010,000	13,156,000	13,584,000	87.7	3.3
Rate Stabilization Fund Transfer (1)	(5,196,518)	(6,977,378)	(8,923,416)	(10,364,197)	N/A	N/A
Other Revenues	2,629,000	2,250,000	2,629,000	2,734,000	16.8	4.0
Interest Income	5,000,000	5,396,000	5,000,000	7,642,000	(7.3)	52.8
Total Revenues	132,054,482	132,447,622	142,484,584	144,637,803	7.6	1.5
Operation & Maintenance (O & M) Expenses						
Fuel Expense:						
Retail & Wholesale	39,228,000	39,581,000	42,667,000	44,414,000	7.8	4.1
Interchange	2,648,000	3,424,000	5,412,000	5,739,000	58.1	6.0
Total Fuel Expense	41,876,000	43,005,000	48,079,000	50,153,000	11.8	4.3
Other O & M Expenses (1)	32,579,965	31,689,622	34,030,584	34,811,803	7.4	2.3
Total O & M Expenses Excluding Contingency Reserve	74,455,965	74,694,622	82,109,584	84,964,803	9.9	3.5
Net Revenues						
Interchange	3,269,000	3,586,000	7,744,000	7,845,000	116.0	1.3
Other	54,329,517	54,167,000	52,631,000	51,828,000	(2.8)	(1.5)
Total Operating Net Revenues	57,598,517	57,753,000	60,375,000	59,673,000	4.5	(1.2)
Use of Net Revenues						
Debt Service	22,401,000	22,612,000	24,305,000	21,525,000	7.5	(11.4)
Utility Plant Improvement Fund	19,035,000	19,028,000	19,601,000	21,208,000	3.0	8.2
CR3 Nuclear Decommissioning Fund	757,000	757,000	760,000	760,000	0.4	0.0
General Fund Transfer	15,405,517	15,356,000	15,709,000	16,180,000	2.3	3.0
Net Revenue/(Deficit)	0	0	0	0	N/A	N/A

(1) Excludes amounts associated with the Contingency Reserve for O & M Expenses.

GAINESVILLE REGIONAL UTILITIES
FLOW OF FUNDS COMPARATIVE SUMMARY
FY 2001 AND FY 2002 BUDGET

GAS SYSTEM

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	Difference As % of 2000 Projection	% Difference 2002 Budget vs 2001 Budget
Revenues						
Sales of Gas and Service:						
Residential Customers	7,820,027	7,970,600	9,041,300	9,380,400	13.4	3.8
Nonresidential - Firm	4,386,185	4,703,200	5,111,200	5,352,000	8.7	4.7
Nonresidential - Interruptible/Transportation	1,689,488	1,886,300	1,978,700	2,025,100	4.9	2.3
Miscellaneous Revenue	268,000	150,000	155,000	162,000	3.3	4.5
Total Sales of Gas	14,163,700	14,710,100	16,286,200	16,919,500	10.7	3.9
Rate Stabilization Fund Transfer (1)	98,998	282,921	(444,031)	269,047	N/A	N/A
Interest Income	400,000	501,000	400,000	471,000	(20.2)	17.8
Total Revenues Before Rate Change	14,662,698	15,494,021	16,242,169	17,659,547	4.8	8.7
Revenue Change			403,000	810,000	4.50	4.50
Total Revenues	14,662,698	15,494,021	16,645,169	18,469,547	7.4	11.0
Operation & Maintenance (O & M) Expenses						
Purchased Gas	6,226,000	7,465,000	8,653,000	9,126,000	15.9	5.5
Other O & M Expenses (1)	4,641,819	4,189,021	3,774,169	3,874,547	(9.9)	2.7
Total O & M Expenses Excluding Contingency Reserve	10,867,819	11,654,021	12,427,169	13,000,547	6.6	4.6
Net Revenues	3,794,879	3,840,000	4,218,000	5,469,000	9.8	29.7
Use of Net Revenues						
Debt Service	1,795,000	1,788,000	2,131,000	3,121,000	19.2	46.5
Utility Plant Improvement Fund	942,000	994,000	1,023,000	1,172,000	2.9	14.6
General Fund Transfer	1,057,879	1,058,000	1,064,000	1,176,000	0.6	10.5
Net Revenue/(Deficit)	0	0	0	0	N/A	N/A

(1) Excludes amounts associated with the Contingency Reserve for O & M Expenses.

GAINESVILLE REGIONAL UTILITIES
FLOW OF FUNDS COMPARATIVE SUMMARY
FY 2001 AND FY 2002 BUDGET

WATER SYSTEM

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	Difference As % of 2000 Projection	% Difference 2002 Budget vs 2001 Budget
Revenues						
Sales of Water:						
General Customers	9,470,000	9,685,000	9,947,000	10,262,100	2.7	3.2
University of Florida	608,000	613,000	643,900	653,800	5.0	1.5
Electric Generating Plants	30,000	37,000	59,500	59,500	60.8	0.0
Fire Hydrant Rental	1,056,000	1,015,000	1,104,900	1,029,900	8.9	(6.8)
Surcharge	941,000	972,000	1,000,700	1,035,400	3.0	3.5
Total Sales of Water	12,105,000	12,322,000	12,756,000	13,040,700	3.5	2.2
Connection Charges	1,278,000	1,580,000	1,580,000	1,580,000	0.0	0.0
Rate Stabilization Fund Transfer (1)	1,278,773	291,420	1,118,652	1,983,891	N/A	N/A
Other Revenues	22,000	20,000	20,000	20,000	0.0	0.0
Interest Income	890,000	1,287,000	1,100,000	893,000	(14.5)	(18.8)
Total Revenues Before Rate Change	15,573,773	15,500,420	16,574,652	17,517,591	6.9	5.7
Revenue Change Including Surcharge					0.00	0.00
Total Revenues	15,573,773	15,500,420	16,574,652	17,517,591	6.9	5.7
Operation & Maintenance (O & M) Expenses						
Other O & M Expenses (1)	6,646,727	6,405,420	6,848,652	7,056,591	6.9	3.0
Total O & M Expenses Excluding Contingency Reserve	6,646,727	6,405,420	6,848,652	7,056,591	6.9	3.0
Net Revenues	8,927,046	9,095,000	9,726,000	10,461,000	6.9	7.6
Use of Net Revenues						
Debt Service	3,899,000	3,991,000	4,146,000	4,455,000	3.9	7.5
Utility Plant Improvement Fund	2,261,000	2,306,000	2,642,000	2,934,000	14.6	11.1
General Fund Transfer	2,767,046	2,798,000	2,938,000	3,072,000	5.0	4.6
Net Revenue/(Deficit)	0	0	0	0	N/A	N/A

(1) Excludes amounts associated with the Contingency Reserve for O & M Expenses.

GAINESVILLE REGIONAL UTILITIES
FLOW OF FUNDS COMPARATIVE SUMMARY
FY 2001 AND FY 2002 BUDGET

WASTEWATER SYSTEM

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	Difference As % of 2000 Projection	% Difference 2002 Budget vs 2001 Budget
Revenues						
Wastewater Charges	14,117,000	14,176,000	14,632,000	14,998,000	3.2	2.5
Surcharge	1,189,000	1,236,000	1,264,000	1,299,000	2.3	2.8
Connection Charges	1,678,000	2,178,000	2,178,000	2,178,000	0.0	0.0
Rate Stabilization Fund Transfer (1)	2,462,572	1,312,621	2,354,629	3,164,220	N/A	N/A
Other Revenues	22,000	22,000	22,000	22,000	0.0	0.0
Interest Income	1,664,000	1,928,000	1,664,000	1,682,000	(13.7)	1.1
Total Revenues Before Rate Change	21,132,572	20,852,621	22,114,629	23,343,220	6.1	5.6
Revenue Change Including Surcharge					0.00	0.00
Total Revenues	21,132,572	20,852,621	22,114,629	23,343,220	6.1	5.6
Operation & Maintenance (O & M) Expenses						
Other O & M Expenses (1)	8,796,311	8,241,621	8,596,629	8,869,220	4.3	3.2
Total O & M Expenses Excluding Contingency Reserve	8,796,311	8,241,621	8,596,629	8,869,220	4.3	3.2
Net Revenues	12,336,261	12,611,000	13,518,000	14,474,000	7.2	7.1
Use of Net Revenues						
Debt Service	5,464,000	5,619,000	5,873,000	6,244,000	4.5	6.3
Utility Plant Improvement Fund	3,124,000	3,197,000	3,656,000	4,058,000	14.4	11.0
General Fund Transfer	3,748,261	3,795,000	3,989,000	4,172,000	5.1	4.6
Net Revenue/(Deficit)	0	0	0	0	N/A	N/A

(1) Excludes amounts associated with the Contingency Reserve for O & M Expenses.

GAINESVILLE REGIONAL UTILITIES
FLOW OF FUNDS COMPARATIVE SUMMARY
FY 2001 AND FY 2002 BUDGET

GRUCOM SYSTEM

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	Difference As % of 2000 Projection	% Difference 2002 Budget vs 2001 Budget
Revenues						
GRUCom Revenues	3,619,314	3,669,000	6,690,000	9,246,000	82.3	38.2
Total GRUCom Sales	3,619,314	3,669,000	6,690,000	9,246,000	82.3	38.2
Rate Stabilization Fund Transfer/Borrowings		446,244	1,221,878	684,502	N/A	N/A
Interest Income	36,000	63,000	88,000	22,000	39.7	(75.0)
Total Revenues Before Rate Change	3,655,314	4,178,244	7,999,878	9,952,502	91.5	24.4
Revenue Change					0.00	0.00
Total Revenues	3,655,314	4,178,244	7,999,878	9,952,502	91.5	24.4
Operation & Maintenance (O & M) Expenses						
Other O & M Expenses (1)	1,753,988	2,103,844	3,368,878	4,239,502	60.1	25.8
Total O & M Expenses Excluding Contingency Reserve	1,753,988	2,103,844	3,368,878	4,239,502	60.1	25.8
Net Revenues	1,901,326	2,074,400	4,631,000	5,713,000	123.2	23.4
Use of Net Revenues						
Debt Service	1,056,426	950,000	3,816,000	3,772,000	301.7	(1.2)
Utility Plant Improvement Fund/Capital	620,500	900,000	543,000	1,661,000	(39.7)	205.9
General Fund Transfer	224,400	224,400	272,000	280,000	21.2	2.9
Net Revenue/(Deficit)	0	0	0	0	N/A	N/A

(1) Excludes amounts associated with the Contingency Reserve for O & M Expenses.

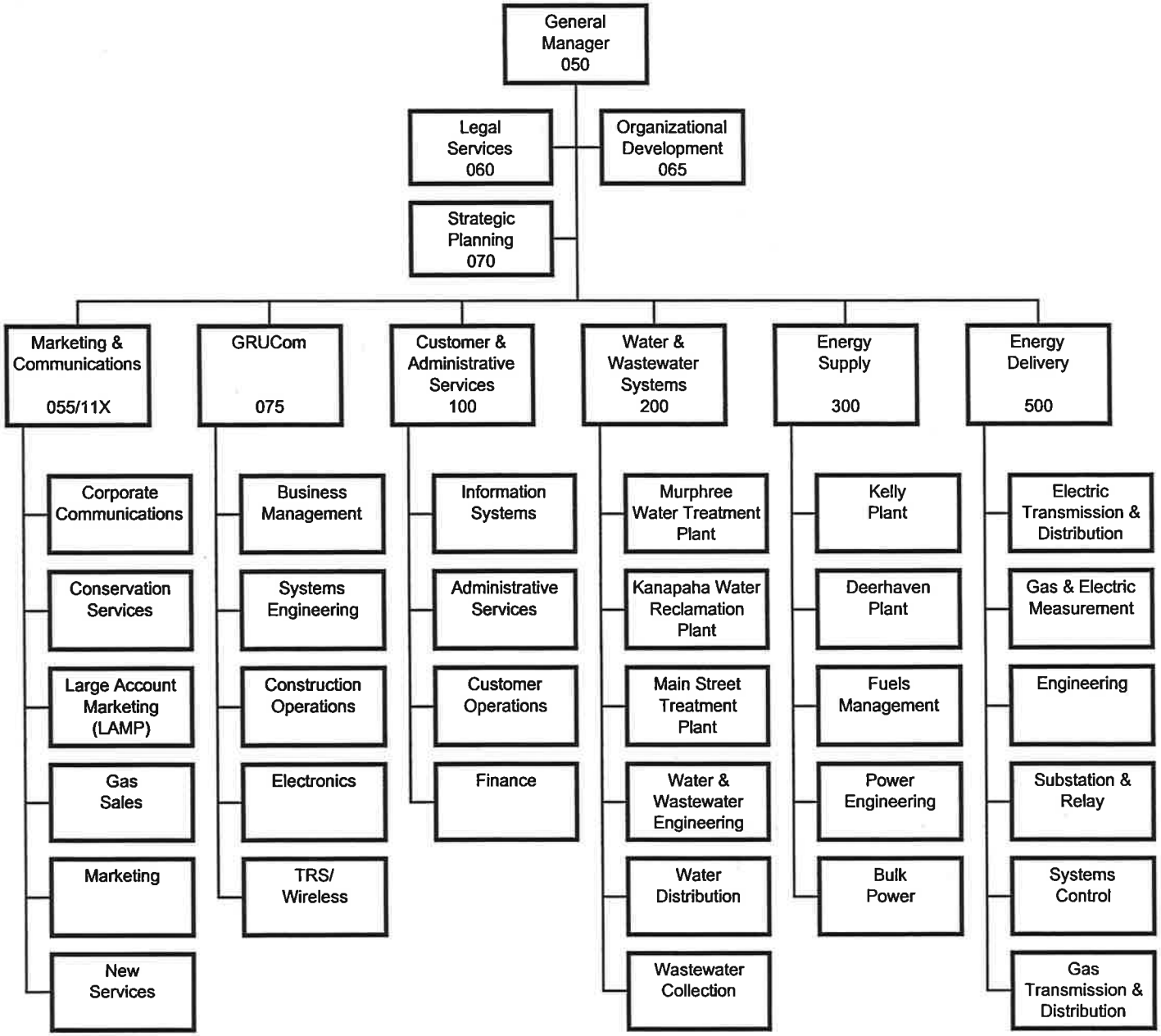
GAINESVILLE REGIONAL UTILITIES
FLOW OF FUNDS COMPARATIVE SUMMARY
FY 2001 AND FY 2002 BUDGET

COMBINED SYSTEM

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	Difference As % of 2000 Projection	% Difference 2002 Budget vs 2001 Budget
Revenues						
Electric System:						
Retail & Wholesale Sales	95,386,000	93,511,000	98,122,000	100,598,000	4.9	2.5
Revenue Decrease	0		0	0	N/A	N/A
Fuel Adjustment	28,319,000	31,258,000	32,501,000	30,444,000	4.0	(6.3)
Interchange Sales	5,917,000	7,010,000	13,156,000	13,584,000	87.7	3.3
Rate Stabilization Fund Transfer (1)	(5,196,518)	(6,977,378)	(8,923,416)	(10,364,197)	N/A	N/A
Other Revenues	2,629,000	2,250,000	2,629,000	2,734,000	16.8	4.0
Interest Income	5,000,000	5,396,000	5,000,000	7,642,000	(7.3)	52.8
Total Electric Revenues	132,054,482	132,447,622	142,484,584	144,637,803	7.6	1.5
Gas System:						
Sales of Gas	14,163,700	14,710,100	16,286,200	16,919,500	10.7	3.9
Revenue Change	0		403,000	810,000	N/A	N/A
Rate Stabilization Fund Transfer (1)	98,998	282,921	(444,031)	269,047	N/A	N/A
Interest Income	400,000	501,000	400,000	471,000	(20.2)	17.8
Total Gas Revenues	14,662,698	15,494,021	16,645,169	18,469,547	7.4	11.0
Water System:						
Sales of Water	12,105,000	12,322,000	12,756,000	13,040,700	3.5	2.2
Revenue Change	0		0	0	N/A	N/A
Connection Charges	1,278,000	1,580,000	1,580,000	1,580,000	0.0	0.0
Rate Stabilization Fund Transfer (1)	1,278,773	291,420	1,118,652	1,983,891	N/A	N/A
Other Revenues	22,000	20,000	20,000	20,000	0.0	0.0
Interest Income	890,000	1,287,000	1,100,000	893,000	(14.5)	(18.8)
Total Water Revenues	15,573,773	15,500,420	16,574,652	17,517,591	6.9	5.7
Wastewater System:						
Wastewater Charges	15,306,000	15,412,000	15,896,000	16,297,000	3.1	2.5
Revenue Change	0		0	0	0.0	0.0
Connection Charges	1,678,000	2,178,000	2,178,000	2,178,000	0.0	0.0
Rate Stabilization Fund Transfer (1)	2,462,572	1,312,621	2,354,629	3,164,220	N/A	N/A
Other Revenues	22,000	22,000	22,000	22,000	0.0	0.0
Interest Income	1,664,000	1,928,000	1,664,000	1,682,000	(13.7)	1.1
Total Wastewater Revenues	21,132,572	20,852,621	22,114,629	23,343,220	6.1	5.6
GRUCom Revenues	3,655,314	4,178,244	7,999,878	9,952,502	91.5	24.4
Total Combined System Revenues	187,078,839	188,472,928	205,818,912	213,920,663	9.2	3.9
Operation & Maintenance (O & M) Expenses						
Electric Fuel Expense:						
Retail & Wholesale	39,228,000	39,581,000	42,667,000	44,414,000	7.8	4.1
Interchange	2,648,000	3,424,000	5,412,000	5,739,000	58.1	6.0
Total Electric Fuel Expense	41,876,000	43,005,000	48,079,000	50,153,000	11.8	4.3
Purchased Gas	6,226,000	7,465,000	8,653,000	9,126,000	15.9	5.5
Other O & M Expenses (1)	54,418,810	52,629,528	56,618,912	58,851,663	7.6	3.9
Total O & M Expenses Excluding Contingency Reserve	102,520,810	103,099,528	113,350,912	118,130,663	9.9	4.2
Net Revenues						
Interchange	3,269,000	3,586,000	7,744,000	7,845,000	116.0	1.3
Other	81,289,029	81,787,400	84,724,000	87,945,000	3.6	3.8
Total Net Revenues	84,558,029	85,373,400	92,468,000	95,790,000	8.3	3.6
Use of Net Revenues						
Debt Service	34,615,426	34,960,000	40,271,000	39,117,000	15.2	(2.9)
Utility Plant Improvement Fund/Capital	25,982,500	26,425,000	27,465,000	31,033,000	3.9	13.0
CR3 Decommissiong Fund	757,000	757,000	760,000	760,000	0.4	0.0
General Fund Transfer	23,203,103	23,231,400	23,972,000	24,880,000	3.2	3.8
Net Revenue/(Deficit)	0	0	0	0	N/A	N/A

(1) Excludes amounts associated with the Contingency Reserve for O & M Expenses.

GAINESVILLE REGIONAL UTILITIES
ORGANIZATION CHART
FY 2001 & FY 2002 BUDGET



This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES COMPARISON
FY 2001 and FY 2002 BUDGET

Resp. No.	Responsibility Area	2000 Budget	2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	% Difference 01 Budget vs 12 Mo. Proj.
	Administration:					
050	General Manager for Utilities	224,104	227,250	224,506	233,040	(1.2)
010	System Expenditures	1,586,769	889,918	1,381,019	1,410,635	55.2
055	Marketing and Communications	3,141,468	2,446,093	2,957,612	3,040,392	20.9
060	Utilities Legal Services	129,473	120,052	127,577	132,542	6.3
065	Organizational Development	273,070	163,364	265,655	273,935	62.6
070	Strategic Planning	1,279,113	1,176,861	1,332,006	1,413,451	13.2
	Total Administration	6,633,997	5,023,538	6,288,376	6,503,997	25.2
075	GRUCom	1,688,333	1,952,877	3,049,965	3,908,622	56.2
	Customer & Administrative Services:					
100	Administration	138,369	137,380	137,662	143,066	0.2
120	Information Systems	2,977,379	2,877,016	3,159,374	3,260,745	9.8
130	Administrative Services	1,675,942	1,675,363	1,654,968	1,704,265	(1.2)
140	Customer Operations	3,592,013	3,564,464	3,730,502	3,864,744	4.7
170	Finance	1,418,971	1,470,397	1,531,904	1,588,896	4.2
	Total Customer & Administrative Services	9,802,675	9,724,620	10,214,410	10,561,716	5.0
	Water & Wastewater Systems:					
200	Administration	196,309	187,666	223,953	231,941	19.3
210	Water Treatment Plant	2,939,486	2,830,612	2,975,463	3,052,985	5.1
234	Main Street Treatment Plant	1,574,070	1,513,628	1,639,502	1,689,469	8.3
224	Kanapaha Water Reclamation Facility	2,875,697	2,656,978	2,696,952	2,777,102	1.5
240	Engineering	430,203	356,840	400,749	415,141	12.3
250	Water Distribution	1,118,800	1,156,320	1,132,474	1,169,650	(2.1)
260	Wastewater Collection	1,408,984	1,505,928	1,367,926	1,413,407	(9.2)
	Total Water/Wastewater Systems	10,543,549	10,207,973	10,437,020	10,749,695	2.2
	Energy Supply:					
300	Administration	380,902	369,705	383,101	397,190	3.6
310	Kelly Plant	2,409,538	2,451,098	2,780,451	2,616,897	13.4
330	Deerhaven Plant	9,622,100	9,578,172	9,610,302	9,920,394	0.3
350	Fuels Management	376,202	383,132	414,088	424,892	8.1
360	Power Engineering	428,869	451,303	438,499	455,138	(2.8)
370	Crystal River 3	2,142,921	2,260,612	2,226,000	2,270,520	(1.5)
380	Bulk Power	469,497	467,692	493,401	511,787	5.5
	Total Energy Supply	15,830,029	15,961,714	16,345,843	16,596,818	2.4

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES COMPARISON
FY 2001 and FY 2002 BUDGET

Resp. No.	Responsibility Area	2000 Budget	2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	% Difference 01 Budget vs 12 Mo. Proj.
	Energy Delivery:					
500	Administration	445,539	439,081	363,215	376,790	(17.3)
510	Transmission & Distribution	3,187,580	3,124,831	3,477,591	3,539,509	11.3
511	Vegetation Management	1,498,454	1,597,722	1,587,974	1,625,811	(0.6)
520	Elect. Meter & Equip. Maint.	683,778	654,541	962,701	975,153	47.1
530	Engineering	1,086,478	887,908	1,169,152	1,213,999	31.7
540	Substation & Relay Operations	933,523	1,028,354	906,212	937,554	(11.9)
550	Systems Control	870,726	897,223	1,219,707	1,262,185	35.9
560	Gas Distribution	1,214,149	1,129,146	596,749	599,814	(47.2)
	Total Energy Delivery	9,920,227	9,758,805	10,283,299	10,530,814	5.4
	Total Operation & Maintenance Expenses Excluding Fuel and Contingency Reserve	54,418,810	52,629,528	56,618,912	58,851,663	7.6
	Fuel Expense:					
	Electric - Native Load	39,228,000	39,581,000	42,667,000	44,414,000	7.8
	Electric - Interchange	2,648,000	3,424,000	5,412,000	5,739,000	58.1
	Gas	6,226,000	7,465,000	8,653,000	9,126,000	15.9
	Total Fuel Expense	48,102,000	50,470,000	56,732,000	59,279,000	12.4
	Total Operation & Maintenance Expenses Excluding Contingency Reserve	102,520,810	103,099,528	113,350,912	118,130,663	9.9

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES
CHANGES INCLUDED IN FY 2001 & FY 2002 BUDGET
FY 2001 & FY 2002 BUDGET

COMBINED SYSTEM

1999-2000 BUDGET		54,418,810
1999-2000 TWELVE MONTH PROJECTION		52,629,528
CHANGES INCLUDED IN 2000-01 BUDGET:		
- Personal Services Changes	1,421,253	
- Fully Staffed/Operational Marketing & Communications Area	294,343	
- Decrease in Forecasted Outside Claims/Insurance Reserve	(242,631)	
- Reduction of Fringe Benefit Allocation to Departments	614,196	
- Full Year of Organizational Development	95,300	
- Energy Delivery DP, Outside Services, Engin Expenses	119,223	
- Street Light Maint., Other Trans & Distribution Expense	161,551	
- Increased System Control & Load Dispatching Expenses	167,764	
- Decreased Substation & Relay Expenses	(101,256)	
- Kelly Plant Overhaul Materials & Expenses	258,070	
- Increased Purchased Circuits Costs	692,182	
- Increased Trunking Radio Expenses	202,600	
- Misc Water Storage Facilities (Recoating Water Tower)	100,082	
- Decreased Wastewater Collection Expenses	(126,719)	
- Other Changes Due to Inflation, etc.	333,426	
TOTAL CHANGES	3,989,384	3,989,384
2000-01 BUDGET		56,618,912
2001-02 BUDGET		58,851,663

This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
ADMINISTRATION
FY 2001 & FY 2002 BUDGET

Purpose:

To provide management and administrative support for all GRU departments consistent with the Mission of the Utility.

General Description:

The General Manager for Utilities oversees all operations of the combined electric, gas, telecommunication, water and wastewater utility. Major responsibilities include management for all planning, administration, customer service, engineering, construction and operations for all utility responsibility areas in accordance with City policies. Additionally, the General Manager oversees the preparation and administration of the annual budget and is responsible for policy development and the implementation of policies adopted by the City Commission.

The Utility System's management staff who report directly to the General Manager includes four (4) Assistant General Managers responsible for Customer and Administrative Services, Energy Delivery, Energy Supply and Water/Wastewater Systems and the Utilities Communications & Marketing Director, the Utilities Attorney, the Employment Services Manager, and the Strategic Planning Director.

The Utilities Marketing and Communications Director is responsible for providing public and media relations counseling, training, and technical support, conducting market and opinion research, providing graphics, media pieces, and written materials, and planning public outreach and information campaigns for the customers and employees of the combined Utility System. Sales and Marketing consists of Marketing, Conservation Services, Gas Sales, and New Services divisions and the Large Account Marketing Program. Their mission is to focus and streamline the utility's efforts at system expansion, to continue to provide high quality residential, commercial, and industrial conservation services, and to provide a single point of contact with our business customers in meeting their needs. This department is the focal point for developing partnerships with all current and prospective GRU retail customers as the details of the gas, electric, and telecommunications industries' deregulation unfold. They are also responsible for developing a comprehensive and customer-responsive menu of services and communicating about these services to customers and employees. The Communications & Marketing Department has twenty-four (24) permanent full-time employees.

The Organizational Development Department (OD), staffed by an Employment Services Manager, one Senior Human Resources Analyst, and one Computer Systems Analyst, is responsible for evaluating the staffing, organizational structure, and human resources practices at GRU. OD supplements the basic services provided by the Human Resources Department by assessing and implementing human resource business solutions and strategies to insure GRU has the flexibility and responsiveness necessary to be successful in a deregulated and competitive environment and the ability to compete with the private sector.

■ ■ ■ ■ ■

GAINESVILLE REGIONAL UTILITIES
ADMINISTRATION
FY 2001 & FY 2002 BUDGET

The Organizational Development Department, partnering with GRU leadership and business units, analyzes issues and provides strategic human resources interventions to assure that GRU's organizational structure and staffing maximize organizational effectiveness; employees have the knowledge, skills and abilities and development opportunities required to meet current and future business objectives; compensation and reward systems that enable GRU to attract, retain and motivate a diverse and effective workforce. In addition, OD proactively: seeks to increase diversity by aggressively recruiting for minority and female applicants; develops creative methods to recruit difficult-to-fill positions; and establishes innovative methods to retain at-risk employees.

Legal Services reviews and assists in the negotiations of various contracts and agreements as required to support the construction, operation and maintenance of electric, gas, water, wastewater and telecommunications utility facilities and the provision of utility services to GRU customers. This office provides daily legal counsel to all utility departments and represents the Utility system before the courts and administrative bodies and is staffed by two (2) permanent full-time employees.

Strategic Planning is responsible for providing utility facilities and financial planning, and telecommunications for the combined utility, as well as environmental compliance services for the Electric System. The Strategic Planning Department has nineteen (19) permanent full-time employees and is divided into six (6) divisions: Electric Facilities Planning, Water/Wastewater Facilities Planning; Electric System Environmental Services; Industrial and Systems Engineering; Project Services; and Financial and Demand Side Planning.

The Electric Facilities Planning and Water/Wastewater Facilities Planning Divisions are responsible for planning the expansion of GRU's electric, water and wastewater systems in the most cost effective manner.

The Electric System Environmental Services Division ensures that the electric system is in compliance with all federal, state and local environmental laws, rules and regulations.

The Project Services Division provides contract and construction management services on large intrautility projects.

The Financial and Demand Side Planning Division is responsible for conducting periodic reviews of GRU's electric, gas, water and wastewater rates to ensure that the charges for services match the respective costs for providing those services. This division also provides long-range financial planning services for GRU management, including revenue, customer, energy and load forecasts in order to ensure the long-term economic stability of GRU. This division is also responsible for evaluating the effectiveness of existing conservation programs and assisting with the development of new conservation programs to support GRU's conservation goals.

■ ■ ■ ■ ■

GAINESVILLE REGIONAL UTILITIES
ADMINISTRATION
FY 2001 & FY 2002 BUDGET

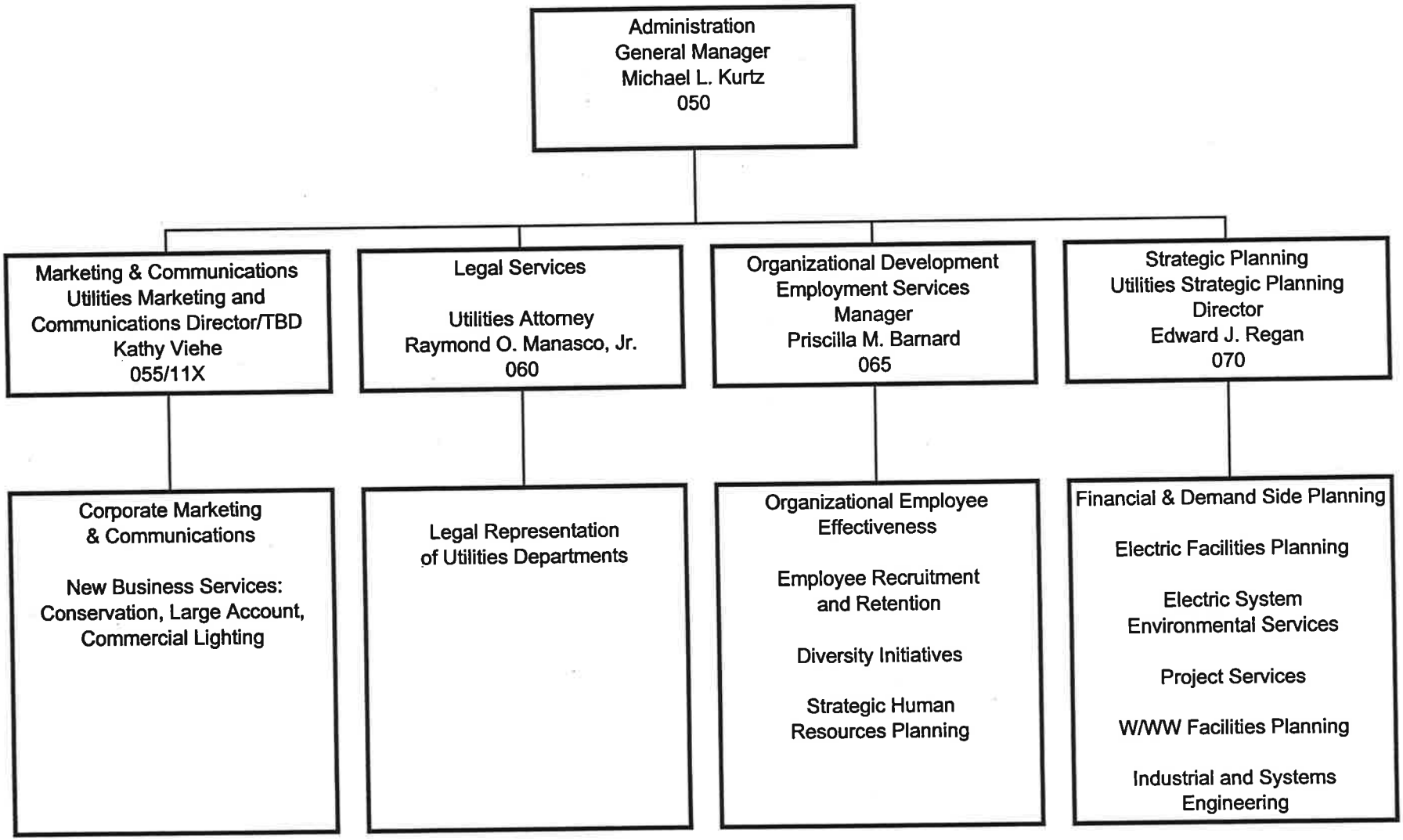
Major Projects and Programs for FY 2001 & FY 2002:

- Conduct Customer Focus groups.
- Promote the Commercial Energy Star program.
- Continue to support Williams Elementary as our Adopt-a-School by providing mentors, tutors, and fundraising.
- Hold the 4th Annual Electrifying Celebration (move to downtown plaza in FY 2001).
- Redesign our web page from an "information only" site to one that is interactive and customer driven (research based). Some of the initiatives may include: access to account information; energy consumption history and online energy audit; streetlight outage reporting; online off and on for service; Neighborhood Link – free web sites for neighborhood groups and non-profit organizations; and an online newsletter of listserv.
- Develop a water display for the Children's Museum.
- Continue GRU's Game Day with the Gators – an outreach program that provides school children and disadvantaged youth with tickets to Gator games.
- Design an energy education kiosk for the Summer House.
- Continue promotion of our Business Partners programs including Business Partners agreements, GRUCom services, internet metering information, infrared scanning, and Commercial Energy Surveys.
- Develop and implement performance management, development and reward systems linking individual, team, and department performance to GRU's organizational goals.
- Enhance GRU's diversity by developing effective targeted recruiting, validated selection processes and change management initiatives.
- Promote solar in schools program.
- Continue promotion of annual Tree-Mendous Appreciation Day.
- Establish data and information systems to develop, analyze, report and benchmark human resources and organizational development information to define GRU's competitive positions and make strategic recommendations.
- Promote electric vehicle.

■ ■ ■ ■ ■

- Manage the clean-up of the Town Gas site.
- Continue with Paynes Prairie project to determine the cause of the woody vegetation.
- Investigate alternative electric and water rate structures.

GAINESVILLE REGIONAL UTILITIES
FUNCTIONAL ORGANIZATION CHART
FY 2001 & FY 2002 BUDGET



This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES COMPARISON
FY 2001 & FY 2002 BUDGET

ADMINISTRATION

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	% Difference 01 Budget vs 00 Projection	% Difference 02 Budget vs 01 Budget
PERSONAL SERVICES	2,690,213	2,511,391	2,842,881	2,956,596	13.2	4.0
OTHER CHARGES						
Marketing and Communications	2,032,197	1,481,863	1,776,206	1,811,730	19.9	2.0
Property Insurance, Risk Management	2,122,326	2,197,955	1,955,324	1,994,431	(11.0)	2.0
Fringes/Overheads Allocated	(2,928,971)	(3,637,396)	(3,023,200)	(3,083,664)	(16.9)	2.0
Transfer to Gen Fund - Joint Services	1,317,777	1,317,777	1,344,133	1,371,016	2.0	2.0
Fiscal Agent Expenses	280,752	265,276	273,234	278,699	3.0	2.0
Strategic Planning Expenses	272,378	185,259	241,770	279,605	30.5	15.6
CEO Contribution	100,000	100,000	100,000	100,000	0.0	0.0
Financial Advisory, Legal, Other Outside Costs	489,104	442,168	521,388	531,816	17.9	2.0
Diversity Efforts	150,000	75,000	75,000	75,000	0.0	0.0
Other Costs, Organizational Development	108,221	84,245	181,640	188,768	115.6	3.9
TOTAL OTHER CHARGES	3,943,784	2,512,147	3,445,495	3,547,401	37.2	3.0
TOTAL ADMINISTRATION	6,633,997	5,023,538	6,288,376	6,503,997	25.2	3.4

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES
CHANGES INCLUDED IN FY 2001 & FY 2002 BUDGET
FY 2001 & FY 2002 BUDGET

ADMINISTRATION
(GENERAL MANAGER FOR UTILITIES, SYSTEM EXPENDITURES,
MARKETING & COMMUNICATIONS,LEGAL SERVICES, & STRATEGIC PLANNING)

1999-2000 BUDGET		6,633,997
1999-2000 TWELVE MONTH PROJECTION		5,023,538
CHANGES INCLUDED IN 2000-01 BUDGET:		
- Personal Services Changes	331,490	
- Reduction of Fringe Benefit Allocation to Departments	614,196	
- Fully Staffed/Operational Marketing & Communications Area	294,343	
- Decrease in Forecasted Outside Claims/Insurance Reserve	(242,631)	
- Full Year of Organization Development	95,300	
- Other Changes	172,140	
TOTAL CHANGES	1,264,838	1,264,838
2000-01 BUDGET		6,288,376
2001-02 BUDGET		6,503,997

GAINESVILLE REGIONAL UTILITIES
GRUCOM SYSTEM
FY 2001 & FY 2002 BUDGET

Purpose:

To design, construct, operate and maintain GRU's telecommunication systems in a safe, reliable and economical manner consistent with industry accepted standards and the Mission of the Utility.

General Description:

GRUCom is licensed by the Florida Public Service Commission as a Competitive Access Provider and as a Competitive Local Exchange Company. GRUCom has four primary product lines including: fiber optic transport of voice, data, internet access and video services; communications tower leasing for antenna location services; GRUNet dial-up internet access services; and, Trunking Radio services.

GRUCom is expanding it's business activities rapidly and currently has 25 permanent employees. The utility is organized into five basic operating units including Business Management, Systems Engineering, Construction, Electronics, and TRS/Wireless. These areas have the following major responsibilities:

- Business Management is responsible for the coordination of overall GRUCom business functions, marketing, sales, contract negotiations, contract administration, budgeting, accounting and finance issues management, billing, credit and collections.

- System Engineering is responsible for planning and high level design of the GRUCom fiber optic network, equipment selection, sales engineering, and carrier circuit technical coordination.

- Construction is responsible for the installation, splicing, and maintenance of fiber optic cable, coordination with outside plan contractors, coordination of building entry, and interface with the Electrical Engineering Department for fiber design services.

- Electronics is responsible for the installation, testing, trouble shooting and maintenance of all fiber related electronic equipment in the GRUCom network, circuit provisioning, network management, network documentation and mapping.

- TRU/Wireless is responsible for oversight of the construction and the operations of the Trunking Radio System.

In addition to these GRUCom operating units, GRUCom also receives dedicated support from personnel in the GRU Information Systems Department and from the Energy Delivery Engineering Department. Other GRU departments provide indirect support.

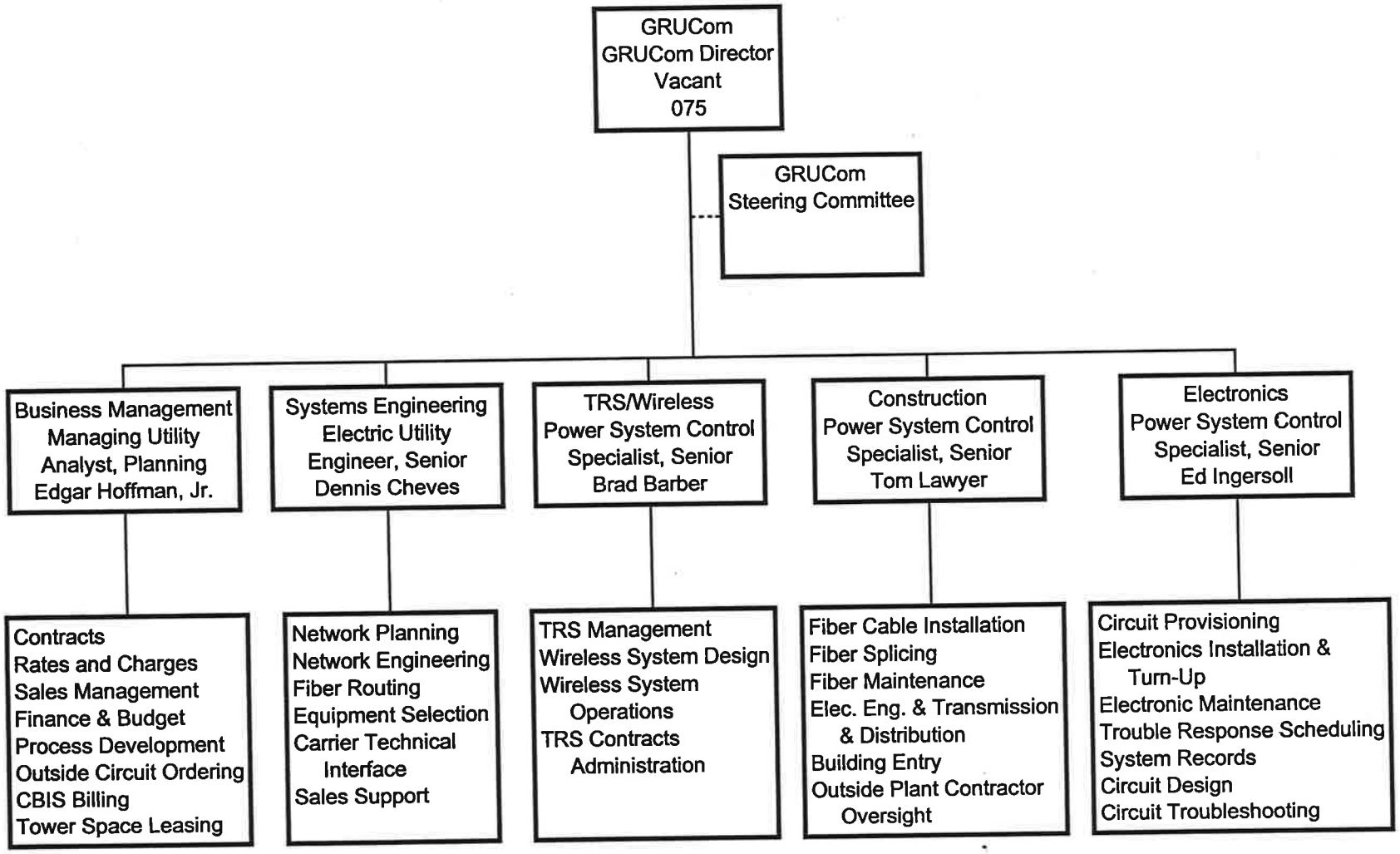
■ ■ ■ ■ ■

GAINESVILLE REGIONAL UTILITIES
GRUCOM SYSTEM
FY 2001 & FY 2002 BUDGET

Major Projects and Programs for FY 2001 & FY 2002:

- Extend fiber backbone and promote fiber ring expansion.
- Increase number of "on-net" buildings.
- Complete GRUCom Hub construction, transfer equipment and rollover services.
- Initiate marketing for GRUCom fiber optic transport services.
- Increase rate of sales for GRUCom fiber optic transport and GRUNet services.
- Complete County Wide Trunking Radio System construction.
- Initiate Trunking Radio services.
- Setup of GRUCom Network Operations Center.
- Standardize delivery methodology and promote GRUCom high-speed internet access services for multi-family dwelling units.
- Initiate Web Hosting services.
- Prepare business model and implement, if feasible, new product lines including: wireless high speed Internet access services; switched services; and cable television services.

GAINESVILLE REGIONAL UTILITIES
FUNCTIONAL ORGANIZATION CHART
FY 2001 & FY 2002 BUDGET



This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES COMPARISON
FY 2001 & FY 2002 BUDGET

GRUCOM

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	% Difference 01 Budget vs 00 Projection	% Difference 02 Budget vs 01 Budget
PERSONAL SERVICES	532,574	370,098	484,343	503,716	30.9	4.0
OTHER CHARGES						
Communication Equipment Costs	623,801	1,103,287	1,795,469	2,322,325	62.7	29.3
Other Expenses	531,958	479,492	770,153	1,082,581	60.6	40.6
TOTAL OTHER CHARGES	1,155,759	1,582,779	2,565,622	3,404,906	62.1	32.7
TOTAL GRUCOM	1,688,333	1,952,877	3,049,965	3,908,622	56.2	28.2

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES
CHANGES INCLUDED IN FY 2001 & FY 2002 BUDGET
FY 2001 & FY 2002 BUDGET

GRUCOM

1999-2000 BUDGET		1,688,333
1999-2000 TWELVE MONTH PROJECTION		1,952,877
CHANGES INCLUDED IN 2000-01 BUDGET:		
- Personal Services Changes	114,245	
- Increased Purchased Circuit Costs	692,182	
- Increased Trunking Radio Expense	202,600	
- Other Changes	88,061	
TOTAL CHANGES	1,097,088	1,097,088
2000-01 BUDGET		3,049,965
2001-02 BUDGET		3,908,622

GAINESVILLE REGIONAL UTILITIES
CUSTOMER AND ADMINISTRATIVE SERVICES
FY 2001 & FY 2002 BUDGET

Purpose:

To provide high quality customer, administrative support and marketing services to all external and internal GRU customers in an effective and efficient manner to ensure the Utility's prosperity, consistent with the Mission of the Utility.

General Description:

Customer and Administrative Services is responsible for providing a wide range of customer services directly to GRU customers. Additionally, budget, finance, purchasing, information systems, and materials management services are provided to all GRU departments and real estate functions to all City departments. Customer and Administrative Services has 181 permanent full-time employees and is divided into four (4) departments: Customer Operations; Administrative Services; Finance; and Information Systems.

Customer Operations handles the complex daily details of customer service for approximately 80,000 Electric, 58,000 Water, 52,000 Wastewater and 29,000 Gas accounts. These services include processing customer requests to initiate or terminate service, resolving service complaints, responding to customer inquiries, reading electric, gas and water meters, investigating and prosecuting theft of utility service cases, resolving billing disputes and performing gas jobbing services.

Administrative Services is responsible for providing purchasing, materials management, building maintenance, and real estate services to all utility departments. Purchasing and materials management functions include purchase order processing, bid and contract development, sourcing and supplier development, contract administration, inventory replenishment, investment recovery, inventory control and warehousing. The Real Estate Division manages the acquisition of real property rights for the Utility through fee simple title, easement or permit and is also responsible for the sale and/or release of property rights no longer required. The Facilities Maintenance Division coordinates internal and outsourced maintenance activities for the buildings throughout the Utility.

Finance is responsible for carrying out customer billing, accounting and collection activities. It is also responsible for administering the utility budget, the cash and debt management functions, the accounting functions and providing related support services to utility departments. These functions include the administration, monitoring and control of investments, coordinating the preparation, analysis, implementation and monitoring of the combined utilities operating and capital budgets, preparing monthly and annual financial reports, processing vendor accounts payables, coordinating audit and property control functions and administering the debt management program.

■ ■ ■ ■ ■

GAINESVILLE REGIONAL UTILITIES
CUSTOMER AND ADMINISTRATIVE SERVICES
FY 2001 & FY 2002 BUDGET

Information Systems is responsible for providing data processing and communication services for all utility departments. These services include operating and maintaining the City's integrated communications facilities and GRU's computer systems, developing and maintaining software programs to support the needs of GRU user departments, providing information system planning services to support GRU's future business needs, acquiring, installing, and maintaining telecommunications equipment for City facilities, and coordinating City information systems plans and future directions.

Projects and Programs for FY 2001 & FY 2002:

- Continue E-Commerce initiatives in Purchasing – accepting bids, selling surplus and publishing standards catalog over the internet; electronic mall on the intranet.
- Promote Cooperative Purchasing initiatives with other utilities.
- Automate power plant inventories.
- Continue support of the MIMS financial and work order management system.
- Implement new budgeting software to improve productivity and accuracy.
- Continue monitoring debt and asset management programs to look for opportunities to save money and/or increase earnings.
- Continue heavy involvement in the Interest Based Bargaining (IBB) process.
- Continue cooperative efforts with General Government staff on IBB, financial and other issues.
- Increase water meter reading accuracy and reduce reading time with use of water meter vacuum system.
- Increase revenue protection efforts.
- Implement changes to make the billing system easier to use, reducing customer wait time and increasing customer satisfaction.
- Increase customer service efforts by taking GRUNet applications and trial staffing at the Apartment Hunter's location.
- Coordinate Microsoft Windows 2000 Server implementation with the Computer Services Division of General Government.

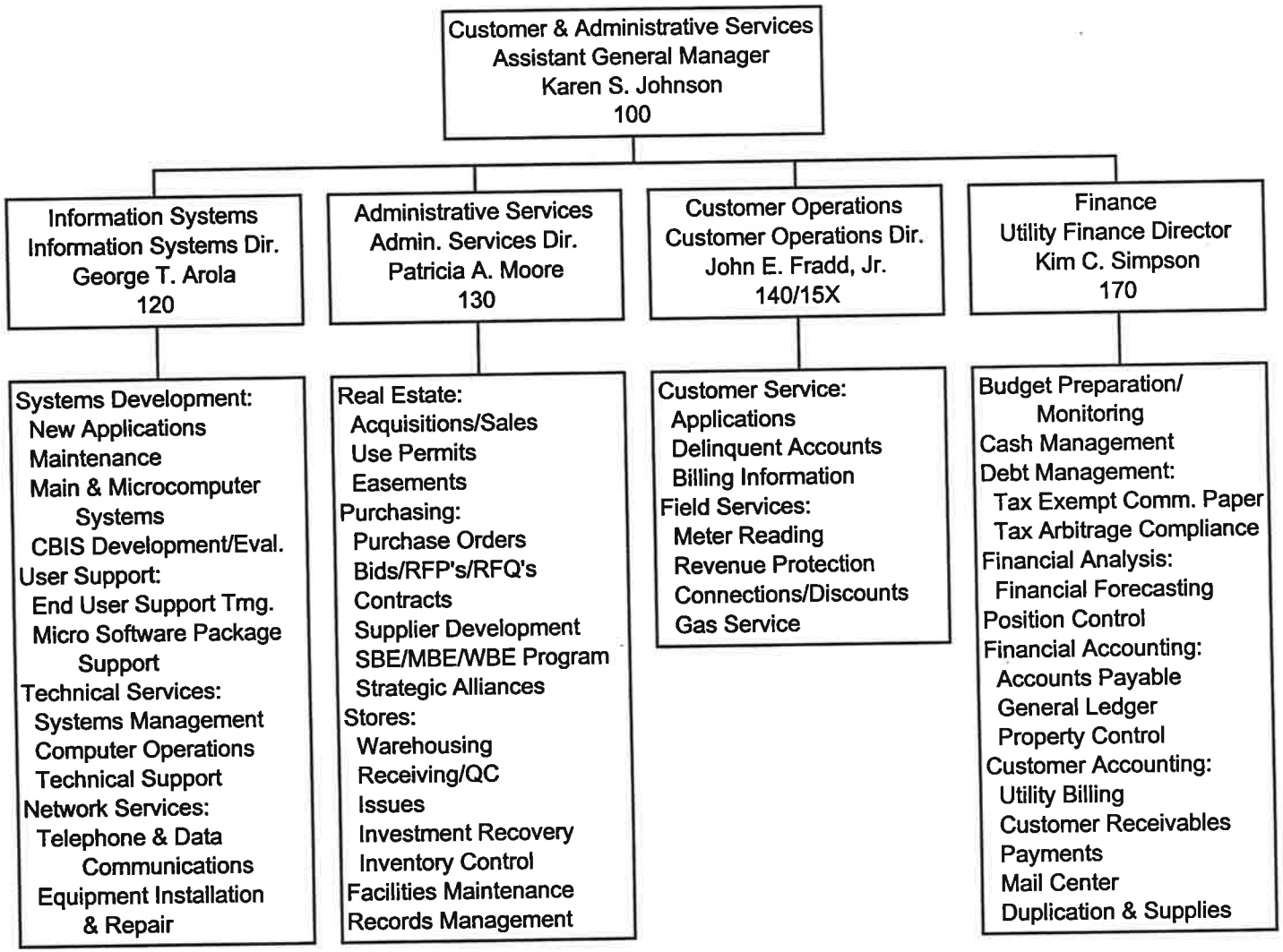
■ ■ ■ ■ ■

- Migrate Microsoft desktop environment to Windows 2000.
- Implement improvements to GRU.COM and GRUPerNet web sites.
- Implement new operating system environment for MIMS.
- Implement data and voice network improvements as dictated by business needs.

■ ■ ■ ■ ■

This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
FUNCTIONAL ORGANIZATION CHART
FY 2001 & FY 2002 BUDGET



This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES COMPARISON
FY 2001 & FY 2002 BUDGET

CUSTOMER AND ADMINISTRATIVE SERVICES

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	% Difference 01 Budget vs 00 Projection	% Difference 02 Budget vs 01 Budget
PERSONAL SERVICES	6,631,348	6,605,388	7,093,929	7,377,686	7.4	4.0
OTHER CHARGES						
Information Systems	1,269,461	1,237,443	1,250,180	1,275,184	1.0	2.0
Facilities Maint/Purchasing/Other Adm Svces Cost	979,182	954,010	902,051	921,232	(5.4)	2.1
Customer Operations	747,720	733,759	748,924	763,902	2.1	2.0
Charges for Billing Services	(377,175)	(377,184)	(392,262)	(400,107)	4.0	2.0
Finance, Billing and Mail Services	552,139	571,204	611,588	623,820	7.1	2.0
TOTAL OTHER CHARGES	3,171,327	3,119,232	3,120,481	3,184,031	0.0	2.0
TOTAL CUSTOMER & ADMINISTRATIVE SERVICES	9,802,675	9,724,620	10,214,410	10,561,716	5.0	3.4

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES
CHANGES INCLUDED IN FY 2001 & FY 2002 BUDGET
FY 2001 & FY 2002 BUDGET

CUSTOMER & ADMINISTRATIVE SERVICES

1999-2000 BUDGET		9,802,675
1999-2000 TWELVE MONTH PROJECTION		9,724,620
CHANGES INCLUDED IN 2000-01 BUDGET:		
- Personal Services Changes	488,541	
- Other Changes	1,249	
TOTAL CHANGES	489,790	489,790
2000-01 BUDGET		10,214,410
2001-02 BUDGET		10,561,716

GAINESVILLE REGIONAL UTILITIES
WATER & WASTEWATER SYSTEMS
FY 2001 & FY 2002 BUDGET

Purpose:

To design, construct, operate and maintain GRU's water, wastewater and reclaimed water facilities in a safe, reliable and economical manner consistent with industry accepted standards and the Mission of the Utility.

General Description:

Water and Wastewater Systems is responsible for designing, constructing, operating and maintaining GRU's water, wastewater and reclaimed water facilities in accordance with federal, state and local regulations. These responsibilities include administering the Utility's Industrial Pre-treatment and Backflow Prevention Programs.

Water and Wastewater Systems has 174 permanent full-time employees who are organized into one Administrative and six (6) operating departments. These are: Water and Wastewater Engineering; Murphree Water Treatment; Kanapaha Water Reclamation Facility; Main Street Wastewater Treatment; Water Distribution; and Wastewater Collection.

Water and Wastewater Administration is responsible for the management of all six operating areas and for conducting the department's Safety and Training programs.

Water and Wastewater Engineering is responsible for providing project planning, design, construction management, capital budgeting and environmental and technical support services to all other water and wastewater departments. The Engineering Department administers the programs for Water/Wastewater Systems for utility upgrades and extensions to the system.

The Water Treatment Department is responsible for operating and maintaining the 40 mgd (million gallons per day) Murphree Water Treatment Plant. These responsibilities include providing safe, reliable and high quality drinking water at acceptable pressures and volumes for public consumption, irrigation, and fire protection.

The Kanapaha Water Reclamation Facility Department is responsible for operating and maintaining a 10 mgd wastewater treatment facility and the system's 143 lift stations. Responsibilities include pumping, treating and discharging of high quality treated effluent which meets federal and state drinking water standards and for providing high quality reclaimed water for irrigation purposes. The facility also operates a State-certified environmental laboratory that supports other GRU facilities and departments.

The Main Street Wastewater Treatment Plant is responsible for operating and maintaining a 7.5 mgd wastewater treatment plant. These responsibilities include pumping, treating and discharging of high quality treated effluent which meets advanced treatment standards.

■ ■ ■ ■ ■

GAINESVILLE REGIONAL UTILITIES
WATER & WASTEWATER SYSTEMS
FY 2001 & FY 2002 BUDGET

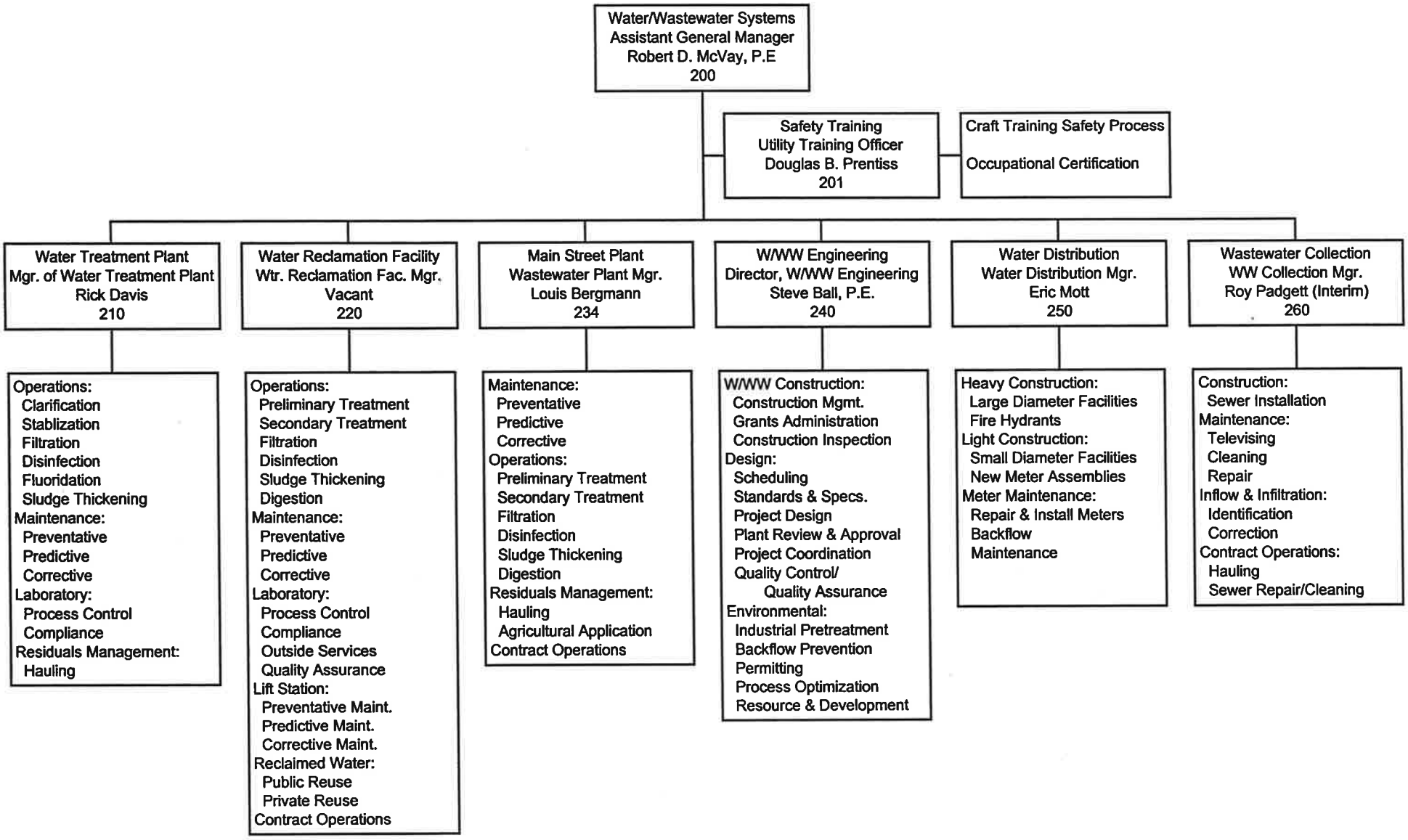
The Water Distribution Department is responsible for the construction, operation and maintenance of approximately 929 miles of water transmission and distribution mains, and for installing, maintaining and inspecting water meters, fire hydrants and backflow prevention devices.

Wastewater Collection is responsible for the construction, operation and maintenance of approximately 635 miles of gravity and force main piping.

Major Projects and Programs for FY 2001 & FY 2002:

- Design 5 mgd expansion of the Kanapaha Water Reclamation Facility.
- Design and construction of an ultraviolet disinfection system at the Main Street Wastewater Treatment Plant.
- Expand Murphree Water Treatment Plant wellfield.
- Extend reclaimed water system for Northeast Gainesville.
- Replace lime slaker at the Murphree Water Treatment Plant and major rehabilitation to transfer pump #3 and backwash recovery basin.
- Upgrade water transmission main to improve service to Northwest Gainesville.
- Upgrade the water distribution system to improve flow capacity and water pressure.
- Design and construction of reclaimed water facilities in the Tower Road area.
- Upgrade wastewater lift stations #10, #100 and #104.
- Continue inflow/infiltration work on the wastewater collection system in Hogtown Creek and other areas.

GAINESVILLE REGIONAL UTILITIES
FUNCTIONAL ORGANIZATION CHART
FY 2001 & FY 2002 BUDGET



This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES COMPARISON
FY 2001 & FY 2002 BUDGET

WATER & WASTEWATER SYSTEMS

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	% Difference 01 Budget vs 00 Projection	% Difference 02 Budget vs 01 Budget
PERSONAL SERVICES	5,433,331	5,074,711	5,196,740	5,404,609	2.4	4.0
OTHER CHARGES						
Water Treatment Plants	2,019,170	1,924,661	2,074,628	2,116,121	7.8	2.0
Kanapaha and Lift Stations	1,323,536	1,324,764	1,386,400	1,414,128	4.7	2.0
Main Street Treatment Plant	772,282	744,587	780,650	796,263	4.8	2.0
Water Distribution	403,787	431,787	406,144	414,267	(5.9)	2.0
Wastewater Collection	444,398	588,557	461,838	471,075	(21.5)	2.0
Kanapaha and Lift Stations	147,045	118,906	130,620	133,232	9.9	2.0
TOTAL OTHER CHARGES	5,110,218	5,133,262	5,240,280	5,345,086	2.1	2.0
TOTAL WATER & WASTEWATER SYSTEMS	10,543,549	10,207,973	10,437,020	10,749,695	2.2	3.0

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES
CHANGES INCLUDED IN FY 2001 & FY 2002 BUDGET
FY 2001 & FY 2002 BUDGET

WATER & WASTEWATER SYSTEMS

1999-2000 BUDGET		10,543,549
1999-2000 TWELVE MONTH PROJECTION		10,207,973
CHANGES INCLUDED IN 2000-01 BUDGET:		
- Personal Services Changes	122,029	
- Storage Facilities Maintenance (Recoat Water Tower)	100,082	
- Wastewater Collection Expense	(126,719)	
- Other Changes	133,655	
TOTAL CHANGES	229,047	229,047
2000-01 BUDGET		10,437,020
2001-02 BUDGET		10,749,695

GAINESVILLE REGIONAL UTILITIES
ENERGY SUPPLY
FY 2001 & FY 2002 BUDGET

Purpose:

To provide safe, reliable and economical electric generation consistent with industry accepted standards and the Mission of the Utility.

To provide integration of short and long term fuel supply, transportation, retail and wholesale energy supply, and energy price risk management planning and operations to maximize net revenue while maintaining competitive energy pricing.

To represent GRU in Federal and State electric industry restructuring activities, coordinate activities and involvement in other industry forums and manage GRU's transition in electric wholesale restructuring.

General Description:

Energy Supply has 151 permanent full-time employees and is divided into five (5) departments: Deerhaven Plant; J.R. Kelly Plant; Power Engineering, Fuels Management, Bulk Power, and a Safety/Training division.

The Deerhaven Generating Plant is located on 1,053 acres north of Gainesville and is the largest generating station owned by GRU. Two (2) fossil fired units (primarily natural gas & coal) and three (3) combustion turbines (primarily natural gas) with a combined capacity of 408 MW are in service at this site.

The J. R. Kelly Power Plant is located near the center of Gainesville. Two (2) fossil fired (primarily natural gas) units and three (3) combustion turbines (primarily natural gas) with a combined capacity of 111 MW are in service at this site.

Bulk Power is responsible for monitoring and controlling the electric generation dispatching and interchange scheduling with the aid of an advanced computer-directed control system which is linked to all of GRU's electric generation, transmission, and distribution systems through fiber optic communications facilities. This group is responsible for sales and purchasing of wholesale power and energy to maximize revenue from GRU's excess capacity and meet GRU's obligations at the lowest possible cost.

Engineering is the technical support group for both generating stations and is responsible for providing capital budgeting, project specification and management, evaluation of unit performance, maintenance planning and monitoring, records management and quality assurance services, in addition to representing GRU's interest as a joint owner in the Crystal River #3 nuclear power plant.

■ ■ ■ ■ ■

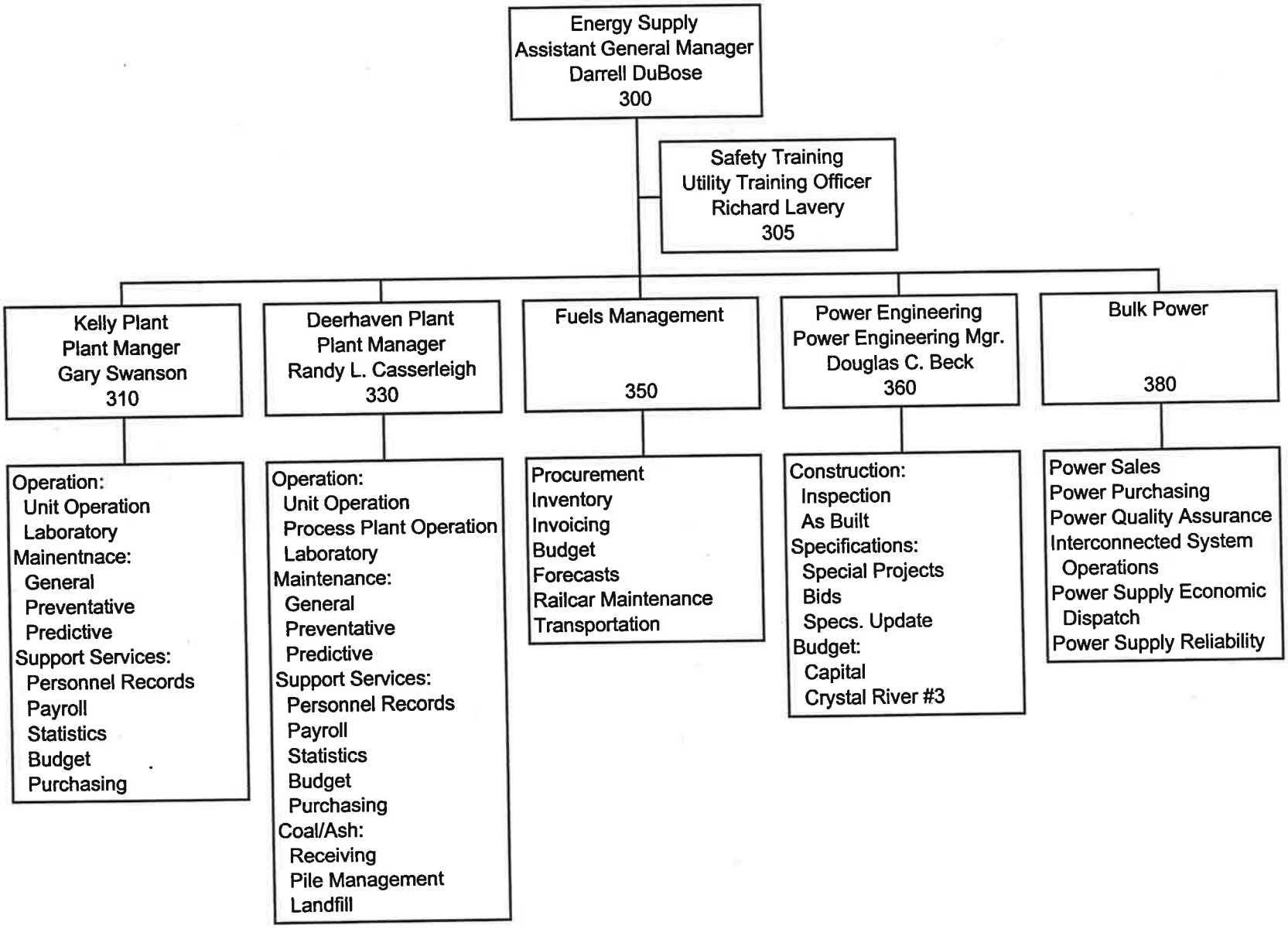
GAINESVILLE REGIONAL UTILITIES
ENERGY SUPPLY
FY 2001 & FY 2002 BUDGET

Fuels Management is responsible for the procurement of all coal, oil and natural gas used in the generation of electrical energy and the distribution of natural gas for GRU; negotiating and administering transportation agreements with railroad companies as required to transport coal from source mines to Deerhaven Plant and the repair and maintenance of GRU's fleet of over 100 rail cars; negotiating and administering transportation agreements with natural gas producers and transporters for the supply of natural gas to GRU's generating plants and local distribution system.

Major Projects and Programs for FY 2001 & FY 2002:

- Promote JR Kelly Repowering.
- Conduct Emat survey of Deerhaven Unit 2 Boiler/Furnace.
- Continue development of Wholesale Electric and Natural Gas Marketing Strategies to compete in a Restructured Energy Market.
- Conduct LP Turbine inspection for Deerhaven Unit 1.
- Refurbish JR Kelly Unit 8 Cooling Tower.
- Conduct annual steam generator inspection for Deerhaven Unit 2.
- Replace Coal Track Tie (4 Year Program).
- Conduct annual Process Plant (Brine Concentrator) Inspection.
- Continue development of Risk Management strategies to control energy price risk exposure.

GAINESVILLE REGIONAL UTILITIES
FUNCTIONAL ORGANIZATION CHART
FY 2001 & FY 2002 BUDGET



This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES COMPARISON
FY 2001 & FY 2002 BUDGET

ENERGY SUPPLY

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	% Difference 01 Budget vs 00 Projection	% Difference 02 Budget vs 01 Budget
PERSONAL SERVICES	9,176,297	9,189,393	9,202,932	9,571,049	0.1	4.0
OTHER CHARGES						
Administration/Training/Engineering	70,381	70,767	106,815	108,952	50.9	2.0
Kelly Plant	420,360	476,773	738,605	493,377	54.9	(33.2)
Deerhaven Plant	3,683,056	3,640,682	3,716,000	3,790,320	2.1	2.0
Fuels Management/Bulk Power	337,014	323,490	355,491	362,601	9.9	2.0
Crystal River 3	2,142,921	2,260,612	2,226,000	2,270,520	(1.5)	2.0
TOTAL OTHER CHARGES	6,653,732	6,772,324	7,142,911	7,025,770	5.5	(1.6)
TOTAL ENERGY SUPPLY	15,830,029	15,961,714	16,345,843	16,596,818	2.4	1.5

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES
CHANGES INCLUDED IN FY 2001 & FY 2002 BUDGET
FY 2001 & FY 2002 BUDGET

ENERGY SUPPLY

1999-2000 BUDGET		15,830,029
1999-2000 TWELVE MONTH PROJECTION		15,961,714
CHANGES INCLUDED IN 2000-01 BUDGET:		
- Personal Services Changes	13,539	
- Kelly Plant Overhaul Materials & Expenses	258,070	
- Other Changes	112,520	
TOTAL CHANGES	384,129	384,129
2000-01 BUDGET		16,345,843
2001-02 BUDGET		16,596,818

GAINESVILLE REGIONAL UTILITIES
ENERGY DELIVERY
FY 2001 & FY 2002 BUDGET

Purpose:

To design, construct, operate, and maintain GRU's electric transmission and distribution systems and gas distribution system in a safe, reliable, and economical manner consistent with industry accepted standards and the Mission of the Utility.

General Description:

Energy Delivery is responsible for the design, construction, operation, and maintenance of GRU's electric transmission and distribution systems and the gas distribution system. Energy Delivery has 189 permanent, full-time budgeted positions and is divided into six (6) divisions: Electric Transmission and Distribution; Gas and Electric Measurement; Engineering; Substation and Relay; Systems Control; and Gas Transmission and Distribution.

Engineering is responsible for systems planning, project design, capital budgeting, and technical support for energy distribution systems. Engineering is also responsible for the production, maintenance, and dissemination of all gas and electric distribution system graphics.

Electric Transmission and Distribution is responsible for the construction of new infrastructure and for the maintenance of approximately 122 miles of electric transmission lines, 615 miles of overhead, and 602 miles of underground electric distribution lines and the vegetation management program.

Substation and Relay is responsible for the construction, operation, and maintenance of all GRU substations, including associated transformation and protective equipment. It is also responsible for the maintenance and testing of electrical apparatus and protective safety equipment utilized by GRU's electrical workers.

Gas and Electric Metering is responsible for the application, testing, monitoring, and record keeping of all electric and gas metering equipment utilized by GRU.

Systems Control is responsible for monitoring and controlling the electric transmission and distribution systems, dispatching, and underground facilities locating services. The division's advanced computer-directed control system is linked to all of GRU's electric generation, transmission, and distribution.

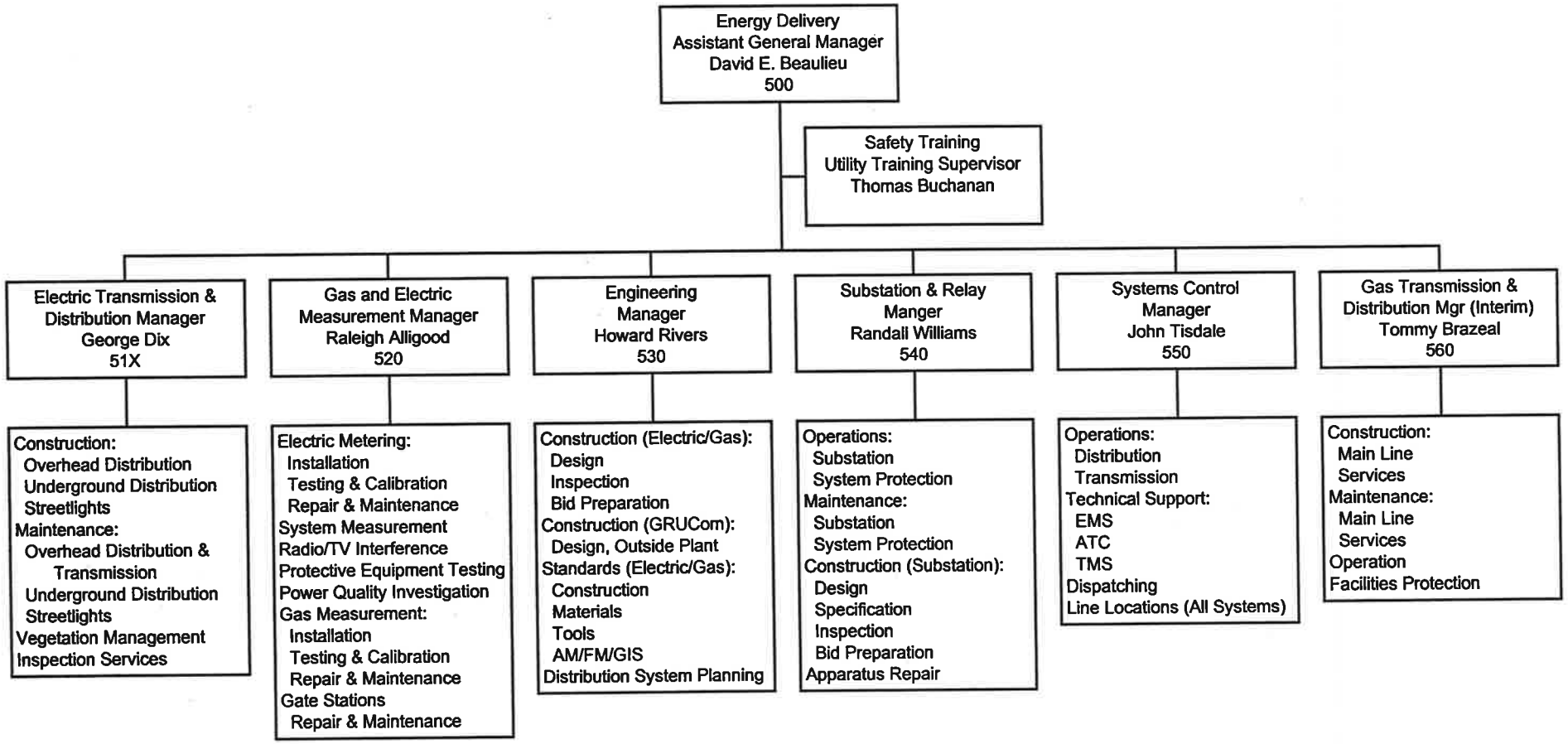
Gas Transmission and Distribution is responsible for the construction, operation, maintenance, and safety of the natural gas system in accordance with Federal, State, and local laws, rules, and regulations. It constructs, operates, and maintains LP distribution systems in those areas awaiting the future expansion of natural gas lines. The division is responsible for a total of 553 miles of natural gas and LP systems.

GAINESVILLE REGIONAL UTILITIES
ENERGY DELIVERY
FY 2001 & FY 2002 BUDGET

Projects and Programs FY 2001 & FY 2002:

- Expand and upgrade the electric and gas distribution systems as needed to serve customer growth.
- Reconstruct older electric distribution systems throughout the service area.
- Convert overhead facilities to underground within and adjacent to the Central City District and along arterial and major collector roadways.
- Continue the Trade-A-Tree and Tree-mendous Appreciation Day Programs.
- Acquire and develop sites for future Power Delivery Systems.
- Install circuit switchers at Ft. Clarke and Sugarfoot Substations for improved transformer protection.
- Expand Automated Distribution capabilities.
- Expand Distributed Generation opportunities.
- Continue program maintenance and renewal of critical distribution system components such as regulators, reclosers, sectionalizers, switches, and valves.
- Continue program replacement of mercury vapor streetlights with high pressure sodium lamps.
- Install LP distribution systems as a proven method to expand the Natural Gas Distribution System.
- Participate in the Low Income Community Assistance Program (LICAP) in East Gainesville and other targeted areas.
- Construct a new Gate Station in Northwest Gainesville.
- Continue program replacement of bare steel and cast-iron gas pipe with plastic pipe.
- Complete the conversion of the paper-based gas mapping systems to an electronic media.
- Construct a Power Delivery System (PDS) near S.W. 91st Street and Archer Road adjacent to the existing 138kv transmission line.

GAINESVILLE REGIONAL UTILITIES
FUNCTIONAL ORGANIZATION CHART
FY 2001 & FY 2002 BUDGET



This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES COMPARISON
FY 2001 & FY 2002 BUDGET

ENERGY DELIVERY

	FY 2000 Budget	FY 2000 Twelve Month Projection	FY 2001 Budget	FY 2002 Budget	% Difference 01 Budget vs 00 Projection	% Difference 02 Budget vs 01 Budget
PERSONAL SERVICES	6,283,573	6,058,572	6,184,981	6,432,381	2.1	4.0
OTHER CHARGES						
Transmission and Distribution	1,237,210	1,197,699	1,359,250	1,336,435	13.5	(1.7)
Vegetation Management	1,272,550	1,235,632	1,284,076	1,309,758	3.9	2.0
Electric Metering	130,816	156,672	231,805	215,021	48.0	(7.2)
Engineering	179,500	196,737	315,960	326,679	60.6	3.4
Substation and Relay	237,847	346,556	245,300	250,206	(29.2)	2.0
System Control	150,013	147,762	315,526	321,837	113.5	2.0
Gas Operations	380,893	365,674	298,701	289,844	(18.3)	(3.0)
Other Charges	47,825	53,501	47,700	48,653	(10.8)	2.0
TOTAL OTHER CHARGES	3,636,654	3,700,233	4,098,318	4,098,433	10.8	0.0
TOTAL ENERGY DELIVERY	9,920,227	9,758,805	10,283,299	10,530,814	5.4	2.4

GAINESVILLE REGIONAL UTILITIES
OPERATION & MAINTENANCE EXPENSES
CHANGES INCLUDED IN FY 2001 & FY 2002 BUDGET
FY 2001 & FY 2002 BUDGET

ENERGY DELIVERY

1999-2000 BUDGET		9,920,227
1999-2000 TWELVE MONTH PROJECTION		9,758,805
CHANGES INCLUDED IN 2000-01 BUDGET:		
- Personal Services Changes	126,409	
- Data Processing, Outside Services, & Other Eng. Exp.	119,223	
- Street Light Maint., Other Trans & Distribution Expense	161,551	
- Increased System Control & Load Dispatching Expenses	167,764	
- Decrease in Substation & Relay Expenses	(101,256)	
- Other Changes	50,803	
TOTAL CHANGES	524,494	524,494
2000-01 BUDGET		10,283,299
2001-02 BUDGET		10,530,814

GAINESVILLE REGIONAL UTILITIES

CAPITAL BUDGET SUMMARY

PROJECTIONS FOR THE FISCAL YEARS 2000-2006

Capital Category	1999-2000 Budget	1999-2000 Projection	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Total Forecast FYs 2001-06
CAPITAL PROJECTS									
Electric System	51,917,137	47,597,429	36,084,471	20,534,092	20,381,728	19,242,886	17,036,941	17,414,867	130,694,985
Gas System	4,071,452	2,974,250	5,930,210	5,385,264	5,041,369	5,096,047	2,901,818	2,958,704	27,313,413
Water System	4,651,536	4,413,000	4,931,262	2,923,590	3,065,946	3,028,471	2,852,168	3,552,041	20,353,478
Wastewater System	5,366,364	4,988,206	4,490,000	8,500,620	8,022,447	2,812,486	2,043,741	1,731,216	27,600,510
GRUCom System	4,387,610	6,595,500	6,390,886	3,605,764	3,162,561	3,159,495	3,176,566	3,173,780	22,669,052
Total Capital Projects	70,394,099	66,568,385	57,826,829	40,949,330	39,674,052	33,339,384	28,011,235	28,830,608	228,631,437

This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000 - 2006

ELECTRIC SYSTEM

Capital Category/Description	Amended Budget 1999-00	12 Mos. Projection 1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Total Forecast FYs 2001-06
600 DISTRIBUTION SUBSTATION IMPROVEMENT: represents the costs associated with the upgrade of distribution substations in order to handle projected load requirements.	2,612,211	1,225,000	1,595,000	2,250,000	1,651,750	1,553,561	55,436	57,376	7,163,123
TOTAL 600	2,612,211	1,225,000	1,595,000	2,250,000	1,651,750	1,553,561	55,436	57,376	7,163,123
612 REVENUE METERING: represents the costs associated with new revenue metering, the testing, repair and/or replacement of outdated facilities, and the maintenance of accurate metering facilities.	433,500	425,000	442,170	451,013	460,034	469,234	478,619	488,191	2,789,262
TOTAL 612	433,500	425,000	442,170	451,013	460,034	469,234	478,619	488,191	2,789,262
615 TRANSFORMERS represents the cost associated with the purchase of all distribution transformers used to provide service to new customers.	1,188,248	1,187,275	1,229,837	1,272,881	1,317,432	1,363,542	1,411,266	1,460,661	8,055,620
Total 615	1,188,248	1,187,275	1,229,837	1,272,881	1,317,432	1,363,542	1,411,266	1,460,661	8,055,620
618 CAPACITORS, REGULATORS & PROTECTIVE DEVICES: represents the costs associated with the power factor improvement and voltage regulation, designed to reduce system losses and increase revenues and for protective equipment to improve system coordination and service continuity.	594,170	448,972	606,053	618,174	630,538	643,148	656,011	669,131	3,823,056
Total 618	594,170	448,972	606,053	618,174	630,538	643,148	656,011	669,131	3,823,056

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000 - 2006

ELECTRIC SYSTEM

Capital Category/Description	Amended Budget 1999-00	12 Mos. Projection 1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Total Forecast FYs 2001-06
621 MAIN LINE SYSTEM IMPROVEMENTS, OVERHEAD: represents the costs associated with the extension and improvement of overhead main line distribution systems (795, 394 and 397 kcmil conductors). The work includes the reconductoring of line segments with larger, more energy efficient conductors. The benefits include reduced system losses, increased revenues, improved quality of service, improved reliability of service and greater operational flexibility.	10,646,548	9,918,500	10,706,074	10,408,020	9,776,348	10,242,293	9,963,490	10,190,075	61,286,300
Total 621	10,646,548	9,918,500	10,706,074	10,408,020	9,776,348	10,242,293	9,963,490	10,190,075	61,286,300
639 SPECIAL PROJECTS: represents the costs associated with discrete special projects which have been determined to be important and necessary for the orderly expansion or renewal of the distribution system.	0	0	2,000,000	0	0	0	0	0	2,000,000
Total 639	0	0	2,000,000	0	0	0	0	0	2,000,000
642 ENERGY CONTROL CENTER: represents the costs associated with the expansion of and improvements to the Electric System Control Center automatic control and communication systems.	450,000	92,000	540,000	50,000	50,000	50,000	50,000	50,000	790,000
Total 642	450,000	92,000	540,000	50,000	50,000	50,000	50,000	50,000	790,000
TOTAL ENERGY DELIVERY	15,924,677	13,296,747	17,119,134	15,050,089	13,886,102	14,321,779	12,614,822	12,915,434	85,907,360

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000 - 2006

ELECTRIC SYSTEM

Capital Category/Description	Amended Budget 1999-00	12 Mos. Projection 1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Total Forecast FYs 2001-06
648 CRYSTAL RIVER 3 IMPROVEMENTS: represents the costs associated with the improvements made to the generating plant to improve safety and control systems, meet regulatory compliance modifications and complete required equipment and facilities renewal and replacement.	300,000	300,000	309,000	318,000	327,000	338,000	348,000	360,000	2,000,000
Total 648	300,000	300,000	309,000	318,000	327,000	338,000	348,000	360,000	2,000,000
651 CRYSTAL RIVER 3 NUCLEAR FUEL: represents the costs associated with the purchase of nuclear fuel including raw materials, processing, enrichment, and fabrication.	128,337	128,337	132,187	136,153	142,960	147,248	151,665	150,000	860,213
Total 651	128,337	128,337	132,187	136,153	142,960	147,248	151,665	150,000	860,213
654 KELLY PLANT IMPROVEMENTS: represents the costs associated with anticipated renewal and replacement and operating improvements at the JR Kelly Power Plant.	27,460,500	26,687,000	9,580,000	15,000	15,000	15,000	15,000	15,000	9,655,000
Total 654	27,460,500	26,687,000	9,580,000	15,000	15,000	15,000	15,000	15,000	9,655,000
657 DEERHAVEN PLANT IMPROVEMENTS: represents the costs associated with anticipated renewal and replacement and operating improvements at the Deerhaven Power Plant.	1,220,752	1,709,474	3,454,150	1,374,050	2,301,050	641,050	56,050	50,000	7,876,350
Total 657	1,220,752	1,709,474	3,454,150	1,374,050	2,301,050	641,050	56,050	50,000	7,876,350
TOTAL ENERGY SUPPLY	29,109,589	28,824,811	13,475,337	1,843,203	2,786,010	1,141,298	570,715	575,000	20,391,563

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000 - 2006

ELECTRIC SYSTEM

Capital Category/Description	Amended Budget 1999-00	12 Mos. Projection 1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Total Forecast FYs 2001-06
911 LAND & LAND RIGHTS: represents the costs associated with procuring utility use permits, easements and fee simple titles required to accommodate the expansion of electrical facilities	40,000	33,000	40,000	40,800	41,616	42,448	43,297	44,163	252,325
Total 911	40,000	33,000	40,000	40,800	41,616	42,448	43,297	44,163	252,325
921 CONTINGENCY RESERVE: represents the costs associated with unanticipated expenditures in order to provide continuous, reliable and efficient service.	200,000	150,000	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000
Total 921	200,000	150,000	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000
931 GENERAL PLANT represents the costs associated with structures and improvements, office equipment, transportation equipment, tool, shop and garage equipment, laboratory equipment, power operated equipment, communications equipment and other miscellaneous equipment.									
Miscellaneous General Plant	6,642,871	5,292,871	5,250,000	3,400,000	3,468,000	3,537,360	3,608,107	3,680,269	22,943,737
Total 931	6,642,871	5,292,871	5,250,000	3,400,000	3,468,000	3,537,360	3,608,107	3,680,269	22,943,737
TOTAL ELECTRIC SYSTEM	51,917,137	47,597,429	36,084,471	20,534,092	20,381,728	19,242,886	17,036,941	17,414,867	130,694,985

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000-2006

GAS SYSTEM

Capital Category/Description	Amended Budget 1999-00	12 Mos. Projection 1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Total Forecast FYs 2001-06
850 REGULATORS/REVENUE METERING: represents costs of new regulators, with new revenue metering, the testing, repair and/or replacement of outdated facilities, and the maintenance of accurate metering facilities.	171,200	171,200	174,624	178,116	181,679	185,312	189,019	192,799	1,101,549
Total 850	171,200	171,200	174,624	178,116	181,679	185,312	189,019	192,799	1,101,549
853 METER & REGULATOR INSTALLATIONS: represents the costs associated with installing meters and regulators and the replacement of outdated facilities.	121,900	121,900	124,338	126,825	129,361	131,948	134,587	137,279	784,339
Total 853	121,900	121,900	124,338	126,825	129,361	131,948	134,587	137,279	784,339
862 MEASURING & REGULATING STATION EQUIP: represents the cost associated with building, upgrading and improving regulating stations.	422,500	52,500	422,500	25,000	27,500	27,500	27,500	27,500	557,500
Total 862	422,500	52,500	422,500	25,000	27,500	27,500	27,500	27,500	557,500
865 MEAS. & REG. STATION EQUIP-GATE STATIONS represents the costs associated with building, upgrading and improving City gate stations.	45,000	0	0	0	0	0	0	0	0
Total 865	45,000	0	0	0	0	0	0	0	0

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000-2006

GAS SYSTEM

Capital Category/Description	Amended Budget 1999-00	12 Mos. Projection 1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Total Forecast FYs 2001-06
868 NEW DEVELOPMENTS - DISTRIBUTION MAINS EXP: represents the costs associated with gas distribution mains expansion in accordance with new developments.	1,365,500	1,365,500	1,393,200	1,421,064	1,449,485	1,478,475	1,508,044	1,538,205	8,788,474
Total 868	1,365,500	1,365,500	1,393,200	1,421,064	1,449,485	1,478,475	1,508,044	1,538,205	8,788,474
877 RENEWAL & REPLACEMENT: represents the costs associated with the repair and/or replacement of old gas mains.	280,000	280,000	610,200	466,404	322,732	329,187	335,770	342,486	2,406,779
Total 877	280,000	280,000	610,200	466,404	322,732	329,187	335,770	342,486	2,406,779
880 SERVICES: represents the costs associated with gas facilities required to provide services to new residential and commercial customers.	432,400	432,400	441,048	449,869	458,866	468,044	477,405	486,953	2,782,184
Total 880	432,400	432,400	441,048	449,869	458,866	468,044	477,405	486,953	2,782,184
889 GAS ACQUISITION/CLEAN UP	625,000	90,550	2,000,000	2,500,000	2,250,000	2,250,000	0	0	9,000,000
Total 889	625,000	90,550	2,000,000	2,500,000	2,250,000	2,250,000	0	0	9,000,000

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000-2006

GAS SYSTEM

Capital Category/Description	Amended Budget 1999-00	12 Mos. Projection 1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Total Forecast FYs 2001-06
914 LAND & LAND RIGHTS: represents the costs associated with procuring utility use permits, easements and fee simple titles required to accommodate the expansion of gas facilities.	10,200	10,200	9,300	9,486	9,676	9,869	10,067	10,268	58,666
Total 914	10,200	10,200	9,300	9,486	9,676	9,869	10,067	10,268	58,666
924 CONTINGENCY RESERVE: represents the costs associated with unanticipated expenditures in order to provide continuous, reliable and efficient service.	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	180,000
Total 924	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	180,000
934 GENERAL PLANT: represents the costs associated with structures and improvements, office equipment, transportation equipment, tool, shop and garage equipment, laboratory equipment, power operated equipment, communication equipment and other miscellaneous equipment.	567,752	420,000	725,000	178,500	182,070	185,711	189,426	193,214	1,653,921
Total 934	567,752	420,000	725,000	178,500	182,070	185,711	189,426	193,214	1,653,921
TOTAL GAS SYSTEM	4,071,452	2,974,250	5,930,210	5,385,264	5,041,369	5,096,047	2,901,818	2,958,704	27,313,413

This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000-2006

WATER SYSTEM

Capital Category/Description	1999-00 Amended Budget	1999-00 12 Month Projection	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Totals 2001-06
700 WATER TREATMENT PLANT IMPROVEMENTS: represents the costs associated with expansion of or improvements to the Murphree Water Treatment Plant.	2,455,000	2,230,000	2,282,862	450,000	595,000	715,000	1,015,000	1,765,000	6,822,862
Total 700	2,455,000	2,230,000	2,282,862	450,000	595,000	715,000	1,015,000	1,765,000	6,822,862
709 DISTRIBUTION & STORAGE TANKS: represents the costs associated with the construction of new ground or elevated storage reservoirs as necessary to maintain or improve water system pressure	0	20,000	0	0	0	0	0	0	0
Total 709	0	20,000	0	0	0	0	0	0	0
712 TRANS. & DIST. SYSTEM IMPROVEMENTS: represents the costs associated with the installation of water distribution mains as necessary to maintain the distribution system in a reliable and efficient operating condition.	391,000	375,000	996,500	812,000	854,500	660,000	236,500	149,000	3,708,500
Total 712	391,000	375,000	996,500	812,000	854,500	660,000	236,500	149,000	3,708,500
715 FIRE SUPPORT SYSTEMS ENHANCEMENTS: represents the costs associated with the installation of water mains and/or fire hydrants necessary to provide a fire support system capable of meeting potential fire demands.	52,000	27,000	32,250	7,500	7,750	8,000	8,250	8,500	72,250
Total 715	52,000	27,000	32,250	7,500	7,750	8,000	8,250	8,500	72,250

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000-2006

WATER SYSTEM

Capital Category/Description	1999-00 Amended Budget	1999-00 12 Month Projection	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Totals 2001-06
721 TRANS. & DIST. SYSTEM EXTENSIONS: represents the costs associated with extending water distribution lines to serve new developments and meet the needs of new customers.	222,000	295,000	210,000	211,000	132,000	135,000	138,000	141,000	967,000
Total 721	222,000	295,000	210,000	211,000	132,000	135,000	138,000	141,000	967,000
723 RELOCATIONS FOR ROAD CONSTRUCTION represents the cost associated with the relocation of water main facilities as required for state, county and city road improvement projects.	85,000	100,000	75,000	75,000	75,000	75,000	75,000	85,000	460,000
Total 723	85,000	100,000	75,000	75,000	75,000	75,000	75,000	85,000	460,000
724 BACKFLOW PREVENTION DEVICES: represents the cost associated with the installation of backflow prevention devices which help protect the water distribution system from possible introduction of contaminants due to illegal cross-connections.	21,000	5,000	5,150	5,300	5,450	5,600	5,750	5,900	33,150
Total 724	21,000	5,000	5,150	5,300	5,450	5,600	5,750	5,900	33,150
727 METERS & SERVICE LATERALS: represents the cost associated with replacing unserviceable water meters which helps ensure an accurate measurement of water consumed by a customer.	600,000	675,000	710,000	730,000	750,000	770,000	700,000	710,000	4,370,000
Total 727	600,000	675,000	710,000	730,000	750,000	770,000	700,000	710,000	4,370,000

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000-2006

WATER SYSTEM

Capital Category/Description	1999-00 Amended Budget	1999-00 12 Month Projection	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Totals 2001-06
900 CONTRIBUTED PLANT:									
represents the costs associated with the inspection of developer installed water utility plant in new developments.	105,000	150,000	155,000	160,000	165,000	170,000	175,000	180,000	1,005,000
Total 900	105,000	150,000	155,000	160,000	165,000	170,000	175,000	180,000	1,005,000
TOTAL WATER SYSTEM OPERATIONS	3,931,000	3,877,000	4,466,762	2,450,800	2,584,700	2,538,600	2,353,500	3,044,400	17,438,762
912 LAND & LAND RIGHTS:									
represents the costs associated with procuring utility use permits, easements and fee simple titles required to accommodate the expansion of water facilities.	11,220	11,000	14,500	14,790	15,086	15,388	15,695	16,009	91,468
Total 912	11,220	11,000	14,500	14,790	15,086	15,388	15,695	16,009	91,468
922 CONTINGENCY RESERVE:									
represents the costs associated with unanticipated expenditures in order to provide continous, reliable and efficient service.	50,000	25,000	50,000	50,000	50,000	50,000	50,000	50,000	300,000
Total 922	50,000	25,000	50,000	50,000	50,000	50,000	50,000	50,000	300,000

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000-2006

WATER SYSTEM

Capital Category/Description	1999-00 Amended Budget	1999-00 12 Month Projection	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Totals 2001-06
932 GENERAL PLANT:									
represents the costs associated with structures and improvements, office equipment, transportation equipment, tools, shop and garage equipment, laboratory equipment, power operated equipment, communication equipment and other miscellaneous equipment.									
Miscellaneous General Plant	659,316	500,000	400,000	408,000	416,160	424,483	432,973	441,632	2,523,248
Total 932	659,316	500,000	400,000	408,000	416,160	424,483	432,973	441,632	2,523,248
TOTAL WATER SYSTEM	4,651,536	4,413,000	4,931,262	2,923,590	3,065,946	3,028,471	2,852,168	3,552,041	20,353,478

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR FISCAL YEARS 2000-06

WASTEWATER SYSTEM

Capital Category/Description	1999-00 Amended Budget	1999-00 12 month Projection	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Totals 2001-06
775 WASTEWATER RECLAMATION FACILITY IMPROVEMENTS: represents the costs associated with the expansion and improvements to the Kanapaha and Main Street Wastewater Treatment Plants.	1,805,000	1,021,000	1,485,000	5,805,000	5,870,000	520,000	20,000	20,000	13,720,000
Total 775	1,805,000	1,021,000	1,485,000	5,805,000	5,870,000	520,000	20,000	20,000	13,720,000
780 RECLAIMED WATER IMPROVEMENTS: represents the costs associated with the expansion and improvements to the Reclaimed Water Distribution, Pumping and Disposal System	300,250	357,000	135,500	265,750	306,000	206,250	6,500	6,750	926,750
Total 780	300,250	357,000	135,500	265,750	306,000	206,250	6,500	6,750	926,750
781 LIFT STATION IMPROVEMENTS: represents the cost associated with improvements required to maintain the existing lift stations in a reliable and efficient operating condition.	1,127,000	500,100	868,000	379,000	158,000	105,000	28,000	29,000	1,567,000
Total 781	1,127,000	500,100	868,000	379,000	158,000	105,000	28,000	29,000	1,567,000
787 LIFT STATION ADDITIONS: represents the cost of constructing new lift stations to serve new developments and meet the needs of new customers.	135,000	205,000	215,000	315,000	220,000	330,000	510,000	373,000	1,963,000
Total 787	135,000	205,000	215,000	315,000	220,000	330,000	510,000	373,000	1,963,000
790 FORCE MAIN IMPROVEMENTS: represents the costs associated with the improvements to the force main system as required to maintain the the system in a reliable and efficient operating condition.	166,000	71,000	184,000	240,000	272,000	459,000	51,000	53,000	1,259,000
Total 790	166,000	71,000	184,000	240,000	272,000	459,000	51,000	53,000	1,259,000

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR FISCAL YEARS 2000-06

WASTEWATER SYSTEM

Capital Category/Description	1999-00 Amended Budget	1999-00 12 month Projection	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Totals 2001-06
799 GRAVITY SYSTEM IMPROVEMENTS: represents the costs associated with improvements to the gravity collection system as required to maintain the collection system in a reliable and efficient operating condition.	981,000	1,611,000	529,000	447,000	302,000	277,000	282,000	287,000	2,124,000
Total 799	981,000	1,611,000	529,000	447,000	302,000	277,000	282,000	287,000	2,124,000
806 RELOCATIONS FOR ROAD CONSTRUCTION represents the cost associated with the relocation of wastewater facilities including lift stations, force mains and gravity sewer mains as required for state, county and city road improvement projects.	50,000	250,106	150,000	100,000	50,000	50,000	260,000	55,000	665,000
Total 806	50,000	250,106	150,000	100,000	50,000	50,000	260,000	55,000	665,000
808 SERVICE LATERAL ADDITIONS: represents the cost of installing wastewater service laterals to new customers which are not associated with new developments.	135,000	255,000	155,000	160,000	165,000	170,000	175,000	180,000	1,005,000
Total 808	135,000	255,000	155,000	160,000	165,000	170,000	175,000	180,000	1,005,000

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR FISCAL YEARS 2000-06

WASTEWATER SYSTEM

Capital Category/Description	1999-00 Amended Budget	1999-00 12 month Projection	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Totals 2001-06
902 CONTRIBUTED PLANT:									
represents the costs associated with the inspection of developer installed wastewater utility plant in new developments	105,000	200,000	210,000	220,000	100,000	105,000	110,000	115,000	860,000
Total 902	105,000	200,000	210,000	220,000	100,000	105,000	110,000	115,000	860,000
TOTAL WASTEWATER SYSTEM OPERATIONS	4,804,250	4,470,206	3,931,500	7,931,750	7,443,000	2,222,250	1,442,500	1,118,750	24,089,750
913 LAND & LAND RIGHTS:									
represents the costs associated with procuring utility use permits, easements and fee simple titles required to accommodate the expansion of wastewater facilities.	20,000	18,000	18,500	18,870	19,247	19,632	20,025	20,425	116,700
Total 913	20,000	18,000	18,500	18,870	19,247	19,632	20,025	20,425	116,700
923 CONTINGENCY RESERVE:									
represents the costs associated with unanticipated expenditures in order to provide continous, reliable and efficient service.	40,000	0	40,000	40,000	40,000	40,000	40,000	40,000	240,000
Total 923	40,000	0	40,000	40,000	40,000	40,000	40,000	40,000	240,000

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR FISCAL YEARS 2000-06

WASTEWATER SYSTEM

Capital Category/Description	1999-00 Amended Budget	1999-00 12 month Projection	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Totals 2001-06
933 GENERAL PLANT:									
represents the costs associated with structures and improvements, office equipment, transportation equipment, tool, shop and garage equipment, laboratory equipment, power operated equipment, communication equipment and other miscellaneous equipment.									
Garage Facility	0	0	0	0	0	0	0	0	0
Miscellaneous General Plant	502,114	500,000	500,000	510,000	520,200	530,604	541,216	552,040	3,154,060
Total 933	502,114	500,000	500,000	510,000	520,200	530,604	541,216	552,040	3,154,060
TOTAL WASTEWATER SYSTEM	5,366,364	4,988,206	4,490,000	8,500,620	8,022,447	2,812,486	2,043,741	1,731,216	27,600,511

GAINESVILLE REGIONAL UTILITIES
CAPITAL BUDGET DETAIL
PROJECTIONS FOR THE FISCAL YEARS 2000-2006

GRUCOM SYSTEM

Capital Category/Description	Amended Budget 1999-2000	12 Month Projection 1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Total Forecast FYs 2001-06
644 FIBER OPTIC NETWORK EXPANSION - NEW BUSINESS/R&R									
represents costs associated with network construction related to new business generated in startup activity phase and for renewal & replacement	4,171,000	5,910,000	5,694,567	3,265,900	2,815,900	2,805,900	2,815,900	2,805,900	20,204,067
Total 644	4,171,000	5,910,000	5,694,567	3,265,900	2,815,900	2,805,900	2,815,900	2,805,900	20,204,067
TOTAL FIBER OPTICS	4,171,000	5,910,000	5,694,567	3,265,900	2,815,900	2,805,900	2,815,900	2,805,900	20,204,067
915 LAND AND LAND RIGHTS									
represents the costs associated with procuring utility use permits, easements and fee simple titles required to accommodate GRUCom facilities	5,610	5,500	8,200	8,364	8,531	8,702	8,876	9,053	51,727
Total 915	5,610	5,500	8,200	8,364	8,531	8,702	8,876	9,053	51,727
935 GENERAL PLANT									
represents the costs associated with structures and improvements, office equipment, transportation equipment, tool, shop and garage equipment laboratory equipment, power operated equipment, communications equipment and other miscellaneous equipment.									
Miscellaneous General Plant	211,000	680,000	688,119	331,500	338,130	344,893	351,790	358,826	2,413,258
Total 935	211,000	680,000	688,119	331,500	338,130	344,893	351,790	358,826	2,413,258
TOTAL GRUCOM SYSTEM	4,387,610	6,595,500	6,390,886	3,605,764	3,162,561	3,159,495	3,176,566	3,173,780	22,669,052

This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
MISCELLANEOUS GENERAL PLANT CAPITAL BUDGET
SUMMARY BY ACCOUNT & SYSTEM
2001-2002 PROPOSED BUDGET

Account Number	Description	Electric System	Gas System	Water System	Wastewater System	GruCom System	Combined System
2000-2001							
390	Structures & Improvements	75,000	-	-	-	-	75,000
391	Office Furniture & Equipment	3,990,028	555,000	-	-	16,900	4,561,928
392	Transportation Equipment	252,000	42,000	18,500	120,000	118,000	550,500
393	Stores Equipment	-	-	-	-	-	
394	Tools, Shop & Garage Equipment	246,900	30,810	6,285	27,900	5,000	316,895
395	Laboratory/Testing Equipment	31,800	-	5,065	-	73,850	110,715
396	Power-Operated Equipment	188,500	49,500	313,000	276,200	50,900	878,100
397	Communication Equipment	261,127	-	-	-	22,250	283,377
398	Miscellaneous Equipment	8,000	-	3,800	10,000	-	21,800
399	Contingency Reserve	196,645	47,690	53,350	65,900	38,100	401,685
	Total Miscellaneous General Plant	5,250,000	725,000	400,000	500,000	325,000	7,200,000
2001-2002							
	Total Miscellaneous General Plant	3,400,000	178,500	408,000	510,000	331,500	4,828,000

GAINESVILLE REGIONAL UTILITIES
MISCELLANEOUS GENERAL PLANT SUMMARY BY RESPONSIBILITY AREA
FY 2001 and 2002 BUDGET

Resp No.	Responsibility Area/Description		2001 Budget	2002 Budget
ADMINISTRATION:				
010	SYSTEM EXPENDITURES			
	391	Office Furniture & Equipment	6,000	
	394	Tools, Shop & Garage Equipment	45,700	
		Total	51,700	52,734
070	STRATEGIC PLANNING			
	391	Office Furniture & Equipment	2,328	
		Total	2,328	2,375
117	LARGE AREA MARKETING PROGRAM			
	392	Transportation Equipment	18,000	
		Total	18,000	18,360
	TOTAL ADMINISTRATION		72,028	73,469
GRUCOM:				
075	GRUCOM			
	391	Office Furniture & Equipment	16,900	
	392	Transportation Equipment	118,000	
	394	Tools, Shop & Garage Equipment	5,000	
	395	Laboratory/Testing Equipment	73,850	
	396	Power Operated Equipment	50,900	
	397	Communication Equipment	22,250	
		Total	286,900	292,638
	TOTAL GRUCOM		286,900	292,638

GAINESVILLE REGIONAL UTILITIES
MISCELLANEOUS GENERAL PLANT SUMMARY BY RESPONSIBILITY AREA
FY 2001 and 2002 BUDGET

Resp No.	Responsibility Area/Description		2001 Budget	2002 Budget
CUSTOMER & ADMINISTRATIVE SERVICES:				
120	INFORMATION SYSTEMS			
	391	Office Furniture & Equipment	3,685,000	
	397	Communication Equipment	250,000	
		Total	3,935,000	1,973,700
134	FACILITIES MAINTENANCE			
	392	Transportation Equipment	75,000	
		Total	75,000	76,500
155	METER OPERATIONS			
	392	Transportation Equipment	17,500	
		Total	17,500	17,850
157	FIELD SERVICES			
	392	Transportation Equipment	70,000	
	394	Tools, Shop & Garage Equipment	6,000	
	397	Communication Equipment	11,127	
		Total	87,127	88,870
	TOTAL CUSTOMER & ADMINISTRATIVE SERVICES		4,114,627	2,156,920

GAINESVILLE REGIONAL UTILITIES
MISCELLANEOUS GENERAL PLANT SUMMARY BY RESPONSIBILITY AREA
FY 2001 and 2002 BUDGET

Resp No.	Responsibility Area/Description	2001 Budget	2002 Budget
WATER & WASTEWATER SYSTEMS:			
201	WATER & WASTEWATER SAFETY & TRAINING		
398	Miscellaneous Equipment	3,800	
	Total	3,800	3,876
210	WATER PLANTS		
392	Transportation Equipment	18,500	
394	Tools, Shop & Garage Equipment	6,285	
395	Laboratory/Testing Equipment	5,065	
396	Power Operated Equipment	26,000	
	Total	55,850	56,967
220	KANAPAHA WATER RECLAMATION FACILITY		
394	Tools, Shop & Garage Equipment	15,000	
396	Power Operated Equipment	85,000	
	Total	100,000	102,000
234	MAIN STREET PLANT		
392	Transportation Equipment	70,000	
394	Tools, Shop & Garage Equipment	8,000	
396	Power Operated Equipment	7,500	
	Total	85,500	87,210
250	WATER DISTRIBUTION		
396	Power Operated Equipment	287,000	
	Total	287,000	292,740
260	WASTEWATER COLLECTION		
392	Transportation Equipment	50,000	
394	Tools, Shop & Garage Equipment	4,900	
396	Power Operated Equipment	183,700	
398	Miscellaneous Equipment	10,000	
	Total	248,600	253,572
	TOTAL WATER & WASTEWATER SYSTEMS	780,750	796,365

GAINESVILLE REGIONAL UTILITIES
MISCELLANEOUS GENERAL PLANT SUMMARY BY RESPONSIBILITY AREA
FY 2001 and 2002 BUDGET

Resp No.		Responsibility Area/Description	2001 Budget	2002 Budget
ENERGY SUPPLY:				
310		KELLY POWER PLANT		
	394	Tools, Shop & Garage Equipment	33,000	
		Total	33,000	33,660
330		DEERHAVEN POWER PLANT		
	391	Office Furniture & Equipment	14,500	
	394	Tools, Shop & Garage Equipment	45,500	
	395	Laboratory/Testing Equipment	6,500	
	396	Power Operated Equipment	12,500	
		Total	79,000	80,580
360	392	Transportation Equipment	24,500	
		Total	24,500	24,990
		TOTAL ENERGY SUPPLY	136,500	139,230
ENERGY DELIVERY:				
500		ENERGY DELIVERY ADMINISTRATION		
	397	Communication Equipment	8,000	
		Total	8,000	8,160
510		ELECTRIC TRANSMISSION & DISTRIBUTION		
	391	Office Furniture & Equipment	65,000	
	392	Transportation Equipment	64,000	
	394	Tools, Shop & Garage Equipment	100,000	
	397	Communication Equipment	176,000	
		Total	405,000	413,100
530		ELECTRIC ENGINEERING		
	391	Office Furniture & Equipment	750,000	
	392	Transportation Equipment	38,000	
		Total	788,000	281,000
540		SUBSTATION & RELAY		
	395	Laboratory/Testing Equipment	25,300	
		Total	25,300	25,806
550		ELECTRIC SYSTEM CONTROL		
	391	Office Furniture & Equipment	22,200	
	392	Transportation Equipment	20,000	
	394	Tools, Shop & Garage Equipment	16,700	
		Total	58,900	60,078

GAINESVILLE REGIONAL UTILITIES
MISCELLANEOUS GENERAL PLANT SUMMARY BY RESPONSIBILITY AREA
FY 2001 and 2002 BUDGET

Resp No.	Responsibility Area/Description	2001 Budget	2002 Budget
560	GAS DISTRIBUTION		
	392 Transportation Equipment	42,000	
	394 Tools, Shop & Garage Equipment	30,810	
	396 Power Operated Equipment	49,500	
	Total	122,310	121,700
	TOTAL ENERGY DELIVERY	1,407,510	909,844
CONTINGENCY RESERVE			
399	GENERAL PLANT CONTINGENCY		
	399 Contingency Reserve	401,685	459,535
	Total	401,685	459,535
	TOTAL CONTINGENCY RESERVE	401,685	459,535
TOTAL 2001 and 2002 MISCELLANEOUS GENERAL PLANT		7,200,000	4,828,000

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SUMMARY SCHEDULE
FY 2001 & FY 2002 BUDGET

Employment Category - Number of Employees (FTE):

	FY 2000 Budget	FY 2001 Budget	FY 2002 Budget
Managerial	51	51	51
Professional	95	115	115
Confidential	9	9	9
Supervisory	56	69	69
Rank & File	502	510	510
To Be Determined	43	12	12
Subtotal Permanent Full Time	756	766	766
Permanent Part Time	6.35	6.25	6.25
Total Full Time Equivalents (FTE)	762.35	772.25	772.25

This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
SUMMARY OF ADDED/DELETED POSITIONS
FY 2001 & FY 2002 BUDGET

Permanent FTE Positions in FY 2000 Budget:		762.35
Added Positions: Proposed FY 2001 & FY 2002		
070 - Strategic Planning	**Utility Analyst II**	1.00
070 - Strategic Planning	**Electric Utility Environmental Engineer I**	1.00
075 - GRUCom	**To Be Determined**	4.00
120 - Information Systems	**Support Specialist I**	1.00
120 - Information Systems	**Customer Service Supervisor**	1.00
131 - Real Estate	**Engineering Tech I**	0.50
134 - Facilities Maintenance	**To Be Determined**	1.00
310 - Kelly Plant	**Power Plant Instrument Tech**	1.00
330 - Deerhaven Plant	**Power Plant Lab Tech**	1.00
		11.50
Deleted Positions: Proposed FY 2001 & FY 2002		
133 - Materials & Stores	**Storekeeper I**	-0.60
134 - Facilities Maintenance	**General Construction/Maint. Supv.**	-1.00
		-1.60
Permanent FTE Positions in FY 2001 & FY 2002 Budget		772.25

This page intentionally left blank

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SCHEDULE
FY2001 & FY2002 BUDGET

CLASSIFICATION	PAYROLL UNIT (1)	PAY GRADE	FY 2000 BUDGET	FY 2001 BUDGET (3)	FY 2002 BUDGET	DIFFERENCE FY00 vs FY01	DIFFERENCE FY01 vs FY02
ADMINISTRATION:							
050 - GENERAL MANAGER FOR UTILITIES							
General Manager	Q		1	1	1	0	0
Assistant to General Manager	D	40	1	1	1	0	0
Executive Assistant	D	36	1	1	1	0	0
Total 050			3	3	3	0	0
055 - MARKETING & COMMUNICATIONS							
Utilities Communications Director	B	78	1	0	0	(1)	0
Util. Mrkting & Comm. Dir./TBD (4)	B	TBD	0	1	1	1	0
Corporate Comm. Specialist	F	41	2	2	2	0	0
Total 055			3	3	3	0	0
117 - LARGE ACCOUNT MARKETING PROGRAM							
Senior Account Representative	F	50	3	3	3	0	0
Market Research Analyst	F	43	1	1	1	0	0
Staff Assistant II	M	13	1	1	1	0	0
Total 117			5	5	5	0	0
118 - GAS MARKETING							
Gas Marketing Manager	B	71	1	1	1	0	0
Gas Marketing Representative	F	42	2	2	2	0	0
Total 118			3	3	3	0	0
119 - MARKETING							
Utilities Marketing Director	B	84	1	0	0	(1)	(1)
Utilities Marketing Manager/TBD (4)	B	TBD	0	1	1	1	1
Utilities Marketing Specialist	F	41	1	1	1	0	0
Staff Assistant II	M	13	1	1	1	0	0
Total 119			3	3	3	0	0
141 - CONSERVATION SERVICES							
Conservation Services Manager	B	73	1	0	0	(1)	0
Business Services Mgr/TBD (4)	B	TBD	0	1	1	1	0
Staff Assistant II	M	13	1	1	1	0	0
Conservation Analyst II	F	41	1	1	1	0	0
Conservation Analyst III	F	44	2	2	2	0	0
Commercial Analyst	F	44	1	1	1	0	0
Total 141			6	6	6	0	0
159 - NEW SERVICES							
New Services Representative	M	16	2	2	2	0	0
W/WW Engineering Tech Sr	M	20	1	1	1	0	0
Utility Services Coordinator	F	43	1	1	1	0	0
Total 159			4	4	4	0	0
TOTAL MARKETING & COMMUNICATIONS			*24*	*24*	*24*	*0*	*0*
060 - LEGAL SERVICES							
Utilities Attorney	B	85	1	1	1	0	0
Executive Assistant	D	36	1	1	1	0	0
Total 060			2	2	2	0	0

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SCHEDULE
FY2001 & FY2002 BUDGET

CLASSIFICATION	PAYROLL UNIT (1)	PAY GRADE	FY 2000 BUDGET	FY 2001 BUDGET (3)	FY 2002 BUDGET	DIFFERENCE FY00 vs FY01	DIFFERENCE FY01 vs FY02
065 - ORGANIZATIONAL DEVELOPMENT							
Employment Services Manager	B	76	1	1	1	0	0
Computer Systems Analyst	F	47	1	1	1	0	0
Human Resources Analyst, Sr.	F	44	1	1	1	0	0
Total 065			3	3	3	0	0
070 - STRATEGIC PLANNING							
Strategic Util. Planning Director	B	86	1	1	1	0	0
Executive Assistant	D	36	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
Project Engineer	B	80	1	1	1	0	0
Managing Utility Analyst, Planning	B	79	1	1	1	0	0
W/WW Utility Engineer, Sr.	F	52	1	1	1	0	0
W/WW Utility Engineer II	F	49	1	1	1	0	0
Elec. Util. Environ. Engineer, Sr.	F	52	1	1	1	0	0
Elec. Util. Environ. Engineer II	F	49	1	1	1	0	0
Elec. Util. Environ. Engineer I	F	45	0	1	1	1	0
Electric Utility Engineer II	F	49	2	2	2	0	0
Utility Industrial Engineer II	F	49	1	1	1	0	0
Utility Analyst, Sr.	F	51	1	1	1	0	0
Utility Analyst II	F	48	2	3	3	1	0
Utility Analyst I	F	43	1	1	1	0	0
Engineering Tech Sr.	M	20	1	1	1	0	0
Total 070			17	19	19	2	0
TOTAL ADMINISTRATION			**49**	**51**	**51**	**2**	**0**
075 - GRUCOM							
Managing Utility Analyst, Planning	B	79	1	1	1	0	0
Executive Assistant	D	36	1	1	1	0	0
Electric Utility Engineer, Senior	F	52	1	1	1	0	0
Utility Marketing Representative	F	42	1	1	1	0	0
Engineering Tech I	M	14	1	1	1	0	0
To Be Determined	TBD	TBD	12	16	16	4	0
TOTAL GRUCOM			**17**	**21**	**21**	**4**	**0**
CUSTOMER & ADMINISTRATIVE SERVICES:							
100 - CUST. & ADMIN. SERVICES							
Assistant General Manager	B	86	1	1	1	0	0
Executive Assistant Senior	D	38	1	1	1	0	0
Total 100			2	2	2	0	0
120 - INFORMATION SYSTEMS							
Information Systems Director	B	80	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
User Support Manager	B	76	1	1	1	0	0
Technical Services Manager	B	76	1	1	1	0	0
Systems Integration Analyst	N	21	6	6	6	0	0
Database Administrator	F	48	2	2	2	0	0
User Support Technician	F	38	1	1	1	0	0
Support Specialist I	F	39	2	3	3	1	0
Support Specialist II	F	43	1	1	1	0	0

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SCHEDULE
FY2001 & FY2002 BUDGET

CLASSIFICATION	PAYROLL UNIT (1)	PAY GRADE	FY 2000 BUDGET	FY 2001 BUDGET (3)	FY 2002 BUDGET	DIFFERENCE FY00 vs FY01	DIFFERENCE FY01 vs FY02
Computer Programmer I	M	16	1	1	1	0	0
Computer Programmer Analyst	F	43	5	5	5	0	0
Computer Systems Analyst	F	47	4	4	4	0	0
Systems Programmer	F	47	5	5	5	0	0
Network Services Coordinator	F	45	1	1	1	0	0
Network Services Analyst	M	24	1	1	1	0	0
Network Specialist	M	22	2	2	2	0	0
Customer Service Supervisor	N	20	0	1	1	1	0
Power Systems Control Spec.	M	21	1	1	1	0	0
Wastewater Plant Operator III	M	17	1	1	1	0	0
Total 120			37	39	39	2	0
130 - ADMINISTRATIVE SERVICES							
Administrative Services Director	B	80	1	1	1	0	0
Staff Assistant II	M	13	1	1	1	0	0
Total 130			2	2	2	0	0
131 - UTILITIES REAL ESTATE							
Land Rights Coordinator	F	43	2	2	2	0	0
Staff Assistant I	M	10	1	1	1	0	0
Total 131			3	3	3	0	0
132 - UTILITIES PURCHASING							
Purchasing Manager	B	72	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
Buyer Analyst	F	40	2	2	2	0	0
Senior Buyer	F	44	1	1	1	0	0
Assistant Buyer	M	13	2	0	0	(2)	0
To Be Determined	TBD	TBD	0	2	2	2	0
Total 132			7	7	7	0	0
133 - UTILITIES MATERIALS & STORES							
Utilities Stores Manager	B	74	1	1	1	0	0
Account Clerk III	M	12	1	1	1	0	0
Storekeeper I	M	09	7	7	7	0	0
Storekeeper II	M	13	3	3	3	0	0
Util Inventory Control Specialist	M	14	1	1	1	0	0
Warehouse Supervisor	N	18	2	2	2	0	0
Total 133			15	15	15	0	0
134 - FACILITIES MAINTENANCE							
General Const./Maint. Supervisor	N	17	1	0	0	(1)	0
Carpenter	M	14	1	1	1	0	0
Maintenance Mechanic I	M	11	2	2	2	0	0
To Be Determined	TBD	TBD	0	1	1	1	0
Total 134			4	4	4	0	0
Total Administrative Services			*31*	*31*	*31*	*0*	*0*
140 - CUSTOMER OPERATIONS							
Customer Operations Director	B	80	1	1	1	0	0
Total			1	1	1	0	0

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SCHEDULE
FY2001 & FY2002 BUDGET

CLASSIFICATION	PAYROLL UNIT (1)	PAY GRADE	FY 2000 BUDGET	FY 2001 BUDGET (3)	FY 2002 BUDGET	DIFFERENCE FY00 vs FY01	DIFFERENCE FY01 vs FY02
155 - METER OPERATIONS							
Meter Reader	M	10	13	13	13	0	0
Meter Reader Crew Leader	M	12	2	2	2	0	0
Meter Reader Supervisor	N	20	1	1	1	0	0
Customer Service Rep.	M	12	1	1	1	0	0
Total 155			17	17	17	0	0
156 - CUSTOMER SERVICE							
Customer Service Manager	B	73	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
Customer Service Rep. (2)	M	12	21	21	21	0	0
Customer Service Rep, Sr.	M	14	2	2	2	0	0
Customer Service Supervisor	N	20	1	1	1	0	0
Total 156			26	26	26	0	0
157 - FIELD SERVICES							
Utility Field Services Manager	B	73	1	1	1	0	0
Utility Training Manager	F	45	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
Customer Service Rep.	M	12	2	2	2	0	0
Current Diversion Tech.	M	18	2	2	2	0	0
Meter Service Worker	M	16	19	19	19	0	0
Meter Service Dispatcher	M	14	2	2	2	0	0
Meter Services Supervisor	N	21	1	1	1	0	0
Total 157			29	29	29	0	0
Total Customer Operations			*73*	*73*	*73*	*0*	*0*
170 - FINANCE							
Utility Finance Director	B	84	1	1	1	0	0
Budget Specialist	F	38	1	1	1	0	0
Total 170			2	2	2	0	0
172 - FINANCIAL ANALYSIS & BUDGET							
Managing Utility Analyst, Finance	B	78	1	1	1	0	0
Investment Coordinator	F	45	1	1	1	0	0
Total 172			2	2	2	0	0
174 - UTILITIES ACCOUNTING							
Utilities Accounting Manager	B	76	1	1	1	0	0
Account Clerk III	M	12	4	4	4	0	0
Account Clerk, Senior	M	14	1	1	1	0	0
Accounts Payable Supervisor	N	20	1	1	1	0	0
Accountant I	F	39	1	1	1	0	0
Accountant II	F	41	1	1	1	0	0
Property Control Specialist Sr	F	43	1	1	1	0	0
Accounting Supervisor	F	45	1	1	1	0	0
Total 174			11	11	11	0	0

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SCHEDULE
FY2001 & FY2002 BUDGET

CLASSIFICATION	PAYROLL UNIT (1)	PAY GRADE	FY 2000 BUDGET	FY 2001 BUDGET (3)	FY 2002 BUDGET	DIFFERENCE FY00 vs FY01	DIFFERENCE FY01 vs FY02
176/179 - CUSTOMER ACCOUNTS							
Customer Accounts Manager	B	73	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
Mail Services Clerk, Utilities	M	08	2	2	2	0	0
Mail Services Supervisor, Utilities	N	17	1	1	1	0	0
Account Clerk III	M	12	5	5	5	0	0
Customer Accounts Supervisor	N	20	1	1	1	0	0
Customer Accounts Rep.	M	10	6	6	6	0	0
Customer Accounts Rep., Senior	M	14	2	2	2	0	0
Customer Records Supervisor	N	20	1	1	1	0	0
Total 176/179			20	20	20	0	0
Total Finance			*35*	*35*	*35*	*0*	*0*
TOTAL CUSTOMER & ADMINISTRATIVE SERVICES			**178**	**180**	**180**	**2**	**0**
WATER & WASTEWATER SYSTEMS:							
200 - WATER & WASTEWATER SYSTEMS							
Assistant General Manager	B	84	1	1	1	0	0
Executive Assistant	D	36	1	1	1	0	0
Pre-Apprenticeship	M	3	2	2	2	0	0
Toal 200			4	4	4	0	0
201 - SAFETY TRAINING							
Utility Training Officer	F	45	1	1	1	0	0
Training Technician	M	14	1	1	1	0	0
Total 201			2	2	2	0	0
210 - MURPHREE WATER PLANT							
Water Plant Manager	B	75	1	1	1	0	0
Water Plant Assistant Manager	B	72	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
W/WW Instrument Tech, Senior	M	21	2	2	2	0	0
W/WW Lab Technician, Senior	M	21	1	1	1	0	0
Water Plant Operator	M	17	12	12	12	0	0
Process Control Specialist	M	19	1	1	1	0	0
Total 210			19	19	19	0	0
220 - KANAPAHA WATER RECLAMATION FACILITY							
WW Plant Facilities Manager	B	76	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
W/WW Laboratory Tech, Senior	M	21	3	3	3	0	0
W/WW Laboratory Supervisor	N	23	1	1	1	0	0
Total 220			6	6	6	0	0
224 - KANAPAHA OPERATIONS							
Wastewater Plant Operator	M	17	6	6	6	0	0
Sludge Equipment Operator	M	12	1	1	1	0	0
W/WW Instrument Tech, Senior	M	21	2	2	2	0	0
W/WW Supervisor	N	19	1	1	1	0	0
Maintenance Mechanic	M	16	1	1	1	0	0
Total 224			11	11	11	0	0

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SCHEDULE
FY2001 & FY2002 BUDGET

CLASSIFICATION	PAYROLL UNIT (1)	PAY GRADE	FY 2000 BUDGET	FY 2001 BUDGET (3)	FY 2002 BUDGET	DIFFERENCE FY00 vs FY01	DIFFERENCE FY01 vs FY02
228 - LIFT STATIONS							
W/WW Instrument Tech, Sr	M	21	2	2	2	0	0
Maintenance Mechanic	M	16	8	8	8	0	0
Total 228			10	10	10	0	0
Total Kanapaha/Lift Stations			*27*	*27*	*27*	*0*	*0*
234 - MAIN STREET TREATMENT PLANT							
WW Operations Manager	B	70	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
Sludge Equipment Operator	M	12	1	1	1	0	0
W/WW Instrument Tech, Senior	M	21	2	2	2	0	0
Wastewater Plant Operator	M	17	8	8	8	0	0
W/WW Supervisor	N	19	2	2	2	0	0
Maintenance Mechanic	M	16	3	3	3	0	0
Total 234			18	18	18	0	0
240 - WATER/WASTEWATER ENGINEERING							
W/WW Engineering Director	B	80	1	1	1	0	0
Office Assistant	M	06	1	1	1	0	0
Staff Assistant II	M	13	1	1	1	0	0
Utility Construction Inspector	M	16	2	2	2	0	0
W/WW Utility Engineer I	F	45	2	2	2	0	0
W/WW Utility Engineer II	F	49	2	2	2	0	0
W/WW Utility Engineer, Senior	F	52	2	2	2	0	0
W/WW Util Sys Envir Eng I	F	45	1	1	1	0	0
W/WW Util Sys Envir Eng Sr	F	52	1	1	1	0	0
W/WW Engineering Tech II	M	17	2	2	2	0	0
W/WW Engineering Tech, Senior	M	20	3	3	3	0	0
W/WW Lab Technician, Sr.	M	21	1	1	1	0	0
Total 240			19	19	19	0	0
250 - WATER DISTRIBUTION							
Water Distribution Manager	B	75	1	1	1	0	0
Staff Assistant II	M	13	1	1	1	0	0
Utility Results Analyst	F	40	1	1	1	0	0
W/WW Svc Operator	M	14	25	25	25	0	0
W/WW Crew Leader	N	16	6	6	6	0	0
W/WW Supervisor	N	19	3	3	3	0	0
W/WW Asst Supervisor	N	17	1	1	1	0	0
Total 250			38	38	38	0	0
260 - WASTEWATER COLLECTION							
Wastewater Collection Manager	B	75	1	1	1	0	0
Staff Assistant	M	08	1	1	1	0	0
Utility Results Analyst	F	40	1	1	1	0	0
W/WW Svc Dispatcher	M	14	1	1	1	0	0
W/WW Svc Operator	M	14	32	32	32	0	0
W/WW Crew Leader	N	16	8	8	8	0	0
W/WW Supervisor	N	19	3	3	3	0	0
Total 260			47	47	47	0	0
TOTAL WATER & WASTEWATER SYSTEMS			**174**	**174**	**174**	**0**	**0**

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SCHEDULE
FY2001 & FY2002 BUDGET

CLASSIFICATION	PAYROLL UNIT (1)	PAY GRADE	FY 2000 BUDGET	FY 2001 BUDGET (3)	FY 2002 BUDGET	DIFFERENCE FY00 vs FY01	DIFFERENCE FY01 vs FY02
ENERGY SUPPLY:							
300 - ENERGY SUPPLY ADMINISTRATION							
Assistant General Manager	B	87	1	1	1	0	0
Executive Assistant	D	36	1	1	1	0	0
Staff Assistant II	M	13	1	1	1	0	0
Utility Results Analyst	F	40	1	1	1	0	0
Elec Utility Engineer II	F	49	1	1	1	0	0
Total 300			5	5	5	0	0
305 - ELECTRIC SUPPLY TRAINING							
Utility Training Officer	F	45	1	1	1	0	0
Total 305			1	1	1	0	0
310 - KELLY PLANT							
Power Plant Manager, Kelly Plant	B	82	1	1	1	0	0
Staff Assistant II	M	13	1	1	1	0	0
Power Plant Operator II	M	19	13	13	13	0	0
Power Plant Shift Supervisor	N	24	5	5	5	0	0
Power Plant Lab Supervisor	N	23	1	1	1	0	0
Power Plant Mechanic	M	20	6	6	6	0	0
Power Plant Electrician	M	21	1	1	1	0	0
Power Plant Elect/Instr. Supervisor	N	23	1	1	1	0	0
Power Plant Maint. Supervisor	N	23	1	1	1	0	0
Power Plant Lab Tech	M	21	1	1	1	0	0
Power Plant Instrument Tech	M	21	1	2	2	1	0
Total 310			32	33	33	1	0
330 - DEERHAVEN PLANT							
Power Plant Manager, Deerhaven	B	84	1	1	1	0	0
Power Plant Oper./Maint. Manager	B	79	2	2	2	0	0
Power Plant Adm/Support Svcs Mgr	B	75	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
Staff Assistant II	M	13	1	1	1	0	0
Account Clerk, Sr.	M	14	1	1	1	0	0
Engineering Tech II	M	17	1	1	1	0	0
Electric Utility Engineer Sr	F	52	2	2	2	0	0
Painter III	M	17	2	2	2	0	0
Maintenance Workers I	M	6	2	2	2	0	0
Power Plant Operator II	M	19	17	17	17	0	0
Power Plant Operator III	M	21	8	8	8	0	0
Power Plant Shift Supervisor	N	24	5	5	5	0	0
Coal/Ash Equipment Operator	M	17	3	3	3	0	0
Process Plant Operator II	M	18	10	10	10	0	0
Process Plant Supervisor	N	23	1	1	1	0	0
Power Plant Lab Tech	M	21	4	5	5	1	0
Power Plant Lab Supervisor	N	23	1	1	1	0	0
Power Plant Mechanic	M	20	15	15	15	0	0
Power Plant Electronic Tech	M	21	1	1	1	0	0
Power Plant Electrician	M	21	5	5	5	0	0
Power Plant Instrument Tech (2)	M	21	5	5	5	0	0
Power Plant Elect/Instr. Supervisor	N	23	1	1	1	0	0
Power Plant Instrument Supervisor	N	23	1	1	1	0	0
Power Plant Welder, Certified	M	21	2	2	2	0	0
Power Plant Maint. Supervisor	N	23	3	3	3	0	0
Total 330			96	97	97	1	0

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SCHEDULE
FY2001 & FY2002 BUDGET

CLASSIFICATION	PAYROLL UNIT (1)	PAY GRADE	FY 2000 BUDGET	FY 2001 BUDGET (3)	FY 2002 BUDGET	DIFFERENCE FY00 vs FY01	DIFFERENCE FY01 vs FY02
350 - FUELS MANAGEMENT							
Fuels Analyst	F	48	2	2	2	0	0
Total 350			2	2	2	0	0
360 - POWER ENGINEERING							
Power Engineering Manager	B	81	1	1	1	0	0
Engineering Tech Sr.	M	20	1	1	1	0	0
Electric Utility Engineer II	F	49	2	2	2	0	0
Electric Utility Engineer Sr.	F	52	3	3	3	0	0
Total 360			7	7	7	0	0
380 - BULK POWER							
Control Area Manager	B	76	1	1	1	0	0
Power Systems Coordinator I	M	23	1	1	1	0	0
Power Systems Coordinator II	M	24	4	4	4	0	0
Total 380			6	6	6	0	0
TOTAL ENERGY SUPPLY			**149**	**151**	**151**	**2**	**0**
ENERGY DELIVERY							
500 - ENERGY DELIVERY ADMINISTRATION							
Assistant General Manager	B	86	1	1	1	0	0
Executive Assistant	D	36	1	1	1	0	0
Staff Assistant	M	08	1	1	1	0	0
Utility Training Officer	F	45	2	2	2	0	0
Utility Training Supervisor	F	47	1	1	1	0	0
Electric Utility Trainee (2)	M	10	2	2	2	0	0
Total 500			8	8	8	0	0
510 - ELECTRIC TRANSMISSION & DISTRIBUTION							
Electric Trans. & Dist. Manager	B	81	1	1	1	0	0
Electric T&D Const/Maint Mgr	B	74	4	4	4	0	0
Staff Assistant I	M	10	2	2	2	0	0
Staff Assistant II	M	13	1	1	1	0	0
Operations Assistant	M	14	1	1	1	0	0
Utilities Results Analyst	F	40	1	0	0	(1)	0
Street Light Service Worker	M	18	1	1	1	0	0
Industrial Engineer, Sr.	F	52	1	1	1	0	0
Lead Line Worker	M	23	20	20	20	0	0
Line Worker	M	21	26	26	26	0	0
Winch Truck Operator	M	16	2	2	2	0	0
Lead Elec Utility Inspector	M	18	1	1	1	0	0
Line Technician	N	16	2	2	2	0	0
To Be Determined	TBD	TBD	0	1	1	1	0
Total 510			63	63	63	0	0
511 - VEGETATION MANAGEMENT							
Vegetation Maint Manager	B	71	1	1	1	0	0
Utilities Forester	F	39	2	2	2	0	0
Operations Assistant	M	14	1	1	1	0	0
Line Clearance Coordinator	M	19	2	2	2	0	0
Total 511			6	6	6	0	0
Total Transmission & Distribution			*69*	*69*	*69*	*0*	*0*

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SCHEDULE
FY2001 & FY2002 BUDGET

CLASSIFICATION	PAYROLL UNIT (1)	PAY GRADE	FY 2000 BUDGET	FY 2001 BUDGET (3)	FY 2002 BUDGET	DIFFERENCE FY00 vs FY01	DIFFERENCE FY01 vs FY02
520 - ELECT. METER & EQUIP. MAINT.							
Gas & Electric Measurement Mgr.	B	78	1	1	1	0	0
Operations Assistant	M	14	2	2	2	0	0
Meter Technician, Certified	M	21	5	5	5	0	0
Lead Meter Technician, Certified	M	23	1	1	1	0	0
Meter Programmer Tester	M	17	1	1	1	0	0
Electric Utility Engineer II	F	49	1	1	1	0	0
Operations Manager	F	72	1	1	1	0	0
Measurement Tech	M	15	6	6	6	0	0
Total 520			18	18	18	0	0
530 - ELECTRIC ENGINEERING							
Engineering Manager	B	82	1	1	1	0	0
Staff Assistant II	M	13	1	1	1	0	0
Engineering Technician II	M	17	4	4	4	0	0
Engineering Technician Senior	M	20	2	2	2	0	0
Electric Utility Engineer I	F	45	1	1	1	0	0
Electric Utility Engineer II	F	49	4	4	4	0	0
Electric Utility Engineer Senior	F	52	4	4	4	0	0
Electric Engineering Tech Senior	F	45	3	3	3	0	0
Electric Engineering Tech II	M	20	10	10	10	0	0
Engineering Supervisor	F	51	1	1	1	0	0
Programmer Specialist	F	44	1	1	1	0	0
Utility Analyst II	F	48	1	1	1	0	0
Total 530			33	33	33	0	0
540 - SUBSTATION & RELAY							
Substation and Relay Manager	B	81	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
Engineering Tech I	M	14	1	1	1	0	0
Apparatus Repair Supervisor	N	23	1	1	1	0	0
Elec Apparatus Tech II	M	21	3	3	3	0	0
Substation Electrician	M	21	4	4	4	0	0
Substation Crew Supervisor	N	23	2	2	2	0	0
Relay Technician	M	21	2	2	2	0	0
Relay Technician, Senior	N	23	1	1	1	0	0
Total 540			16	16	16	0	0
550 - SYSTEMS CONTROL							
Systems Control Manager	B	82	1	1	1	0	0
Technical Support Manager	B	76	1	1	1	0	0
Staff Assistant I	M	10	1	1	1	0	0
Operations Assistant	M	14	2	2	2	0	0
Power Sys Cntrl Specialist	M	21	1	1	1	0	0
Power Sys Cntrl Specialist Sr	M	23	1	1	1	0	0
Power System Coordinator I	M	23	6	6	6	0	0
Utilities Location Technician	M	17	6	6	6	0	0
Electric Utility Engineer II	F	45	1	1	1	0	0
Total 550			20	20	20	0	0

GAINESVILLE REGIONAL UTILITIES
PERSONAL SERVICE SCHEDULE
FY2001 & FY2002 BUDGET

CLASSIFICATION	PAYROLL UNIT (1)	PAY GRADE	FY 2000 BUDGET	FY 2001 BUDGET (3)	FY 2002 BUDGET	DIFFERENCE FY00 vs FY01	DIFFERENCE FY01 vs FY02
560 - GAS TRANSMISSION & DISTRIBUTION							
Gas Trans & Distribution Mgr	B	81	1	1	1	0	0
Gas Distribution Manager	B	72	1	0	0	(1)	0
Operations Assistant - Gas	M	14	1	1	1	0	0
Facilities Protection Tech	M	17	2	2	2	0	0
Crew Leader	M	18	5	5	5	0	0
Line Technicians	M	16	7	7	7	0	0
Equipment Operator	M	GM	3	3	3	0	0
Construction Worker	M	13	4	4	4	0	0
Utilities Service Coordinator	F	43	1	1	1	0	0
To Be Determined	TBD	TBD	0	1	1	1	0
Total 560			25	25	25	0	0
TOTAL ENERGY DELIVERY			**189**	**189**	**189**	**0**	**0**
TOTAL PERMANENT FULL TIME			756	766	766	10	0.00
TOTAL PERMANENT PART TIME FTE'S			6.35	6.25	6.25	(0.10)	0.00
TOTAL PERMANENT FTE POSITIONS			762.35	772.25	772.25	9.90	0.00

Notes:
(1) Payroll Unit:
Q = Charter Officer
B = Mangerial
D = Confidential
F = Professional
M = CWA Rank and File
N = CWA Supervisory
TBD = To Be Determined by Job Audit/Human Resources Review
(2) Does not include positions that are temporarily filled
(3) Does not include any position changes or revisions to the occupational index that may occur as a result of the Interest Based Bargaining process
(4) Pending Personnel & Organizational Structure Committee approval in Summer 2000

GAINESVILLE REGIONAL UTILITIES
SCHEDULE OF POSITION CHANGES
FY 2001 & FY 2002 BUDGET

Resp Area	Existing Classification	Paygrade	Requested Classification
055	Util. Communications Dir.	78	To Be Determined Pending P & O Committee Approval
119	Util. Marketing Dir.	84	To Be Determined Pending P & O Committee Approval
132	Assistant Buyer (2)	13	To Be Determined Pending Job Audit
141	Conservation Serv. Mgr.	73	To Be Determined Pending P & O Committee Approval
510	Utilities Results Analyst	40	To Be Determined Pending Job Audit
560	Gas Distribution Mgr.	72	To Be Determined Pending Job Audit

This page intentionally left blank