

Proposed Annual Operating Budget Fiscal Year 2017

Follow up Information from
July 14, 2016 City Commission
Meeting

RESIDENTIAL ELECTRIC RATES TIER BREAK AT 750 KWH

Residential Electric Rates with Tier Break at 750 kWh, 2¢ Differential

Residential Electric Bill Scenario Two Tiers with Break at 750 kWh			
Billing Component		2016	2017
Monthly customer charge		\$ 14.25	\$ 14.25
Tier 1	0-750	\$ 0.043	\$ 0.0425
Tier 2	over 750	\$ 0.064	\$ 0.0635

	2016 bill	2017 bill	
kWh	850 break	750 break	change
250	\$ 42.50	\$ 42.38	\$ (0.13)
500	\$ 70.75	\$ 70.50	\$ (0.25)
750	\$ 99.00	\$ 98.63	\$ (0.37)
1000	\$ 130.40	\$ 132.00	\$ 1.60
1250	\$ 163.90	\$ 165.38	\$ 1.47
1500	\$ 197.40	\$ 198.75	\$ 1.35
1750	\$ 230.90	\$ 232.13	\$ 1.22
2000	\$ 264.40	\$ 265.50	\$ 1.10

Residential Electric Rates with Tier Break at 750 kWh, 4¢ differential

Residential Electric Bill Scenario Two Tiers with Break at 750 kWh			
Billing Component		2016	2017
Monthly customer charge		\$ 14.25	\$ 14.25
Tier 1	0-750	\$ 0.043	\$ 0.037
Tier 2	over 750	\$ 0.064	\$ 0.077

	2016 bill	2017 bill	
kWh	850 break	750 break	change
250	\$ 42.50	\$ 41.00	\$ (1.50)
500	\$ 70.75	\$ 67.75	\$ (3.00)
750	\$ 99.00	\$ 94.50	\$ (4.50)
1000	\$ 130.40	\$ 131.25	\$ 0.85
1250	\$ 163.90	\$ 168.00	\$ 4.10
1500	\$ 197.40	\$ 204.75	\$ 7.35
1750	\$ 230.90	\$ 241.50	\$ 10.60
2000	\$ 264.40	\$ 278.25	\$ 13.85

2017 Proposed Costs & Charges

2017 Residential Cost per Unit after Excluding Customer Charge Revenue ((Revenue Requirement less Customer Charge Revenue)/Projected Unit Sales)			2017 Proposed Residential Charges		
			Tier 1	Tier 2	Tier 3
Electric	\$ 0.05	per kWh	0-850 kWh \$ 0.043	Over 850 kWh \$ 0.064	
Gas	\$ 0.63	per therm	\$ 0.63		
Water	\$ 3.04	per kgal	0-4 kgal \$ 2.45	5-16 kgal \$ 3.75	over 16 kgal \$ 6.00
WW	\$ 6.30	per kgal	\$ 6.30		

AVERAGE ELECTRIC USE BY DWELLING TYPE AND WITH GAS SERVICE

Average Electric Use by Dwelling Type With and Without Gas

Average kWh Billed for Bills Meter Read Periods Ending May 2015 Thru April 2016

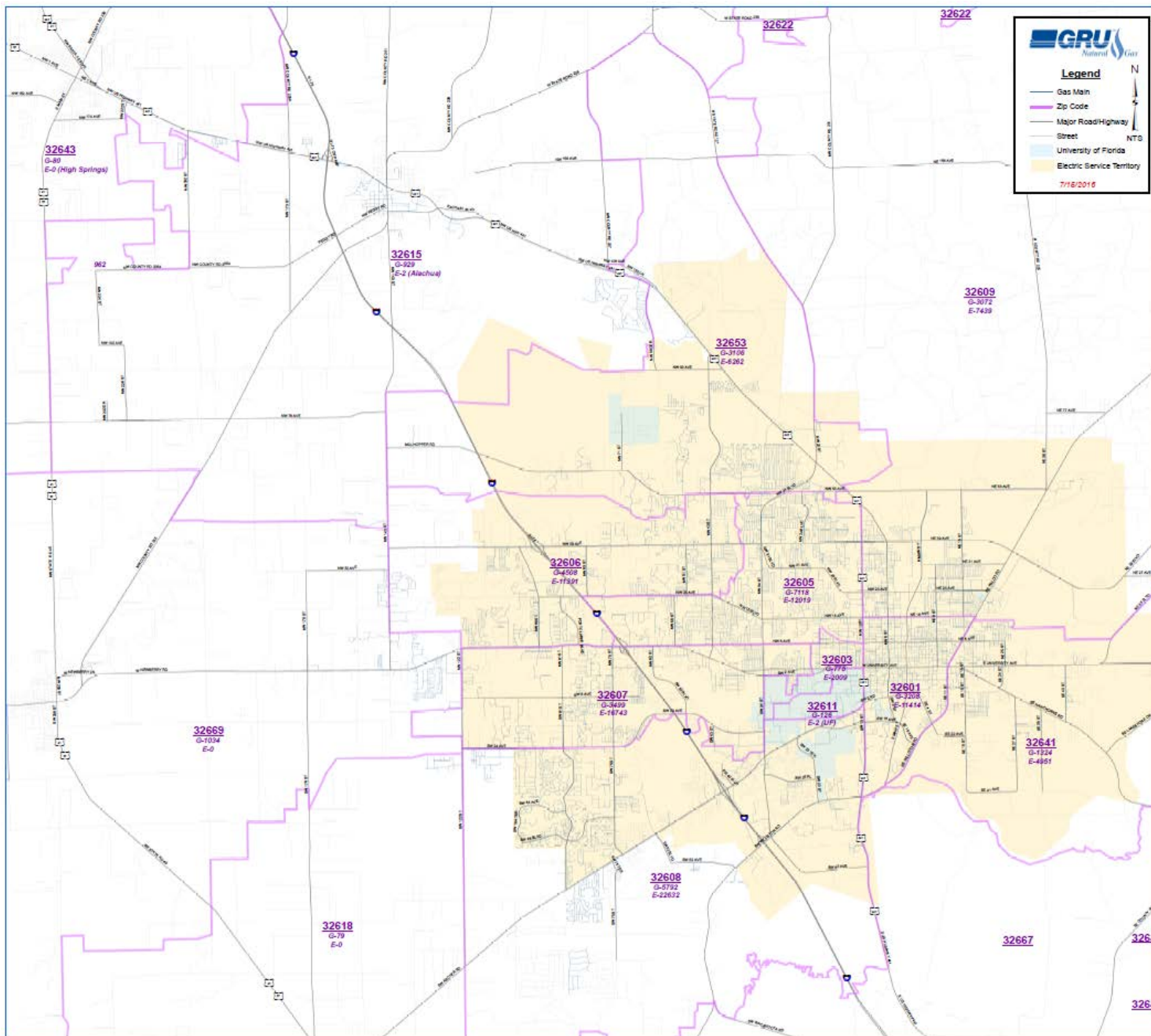
Premise Type	Average Monthly kWh	Avg Monthly Bill Count	12-month Bill Count	% of total Bills
Mobile Home	816.3	2,095	25,138	3%
Multi-Family > 4 Units	652.3	34,529	414,353	41%
Multi-Family <= 4 Units	652.2	4,007	48,080	5%
Single-Family Attached (Townhomes)	674.8	5,417	64,998	7%
Single-Family Detached	944.4	37,173	446,078	45%
Overall Residential Total/Average	788.4	83,221	998,647	100%
Single-Family Detached With Gas	904.6	24,679	296,150	66%
Single-Family Detached No Gas	1,023.0	12,494	149,928	34%
Overall Single-Family Detached	944.4	37,173	446,078	100%

GAS SYSTEM BACKGROUND & CUSTOMERS BY ZIP CODE

Gas System Background Information

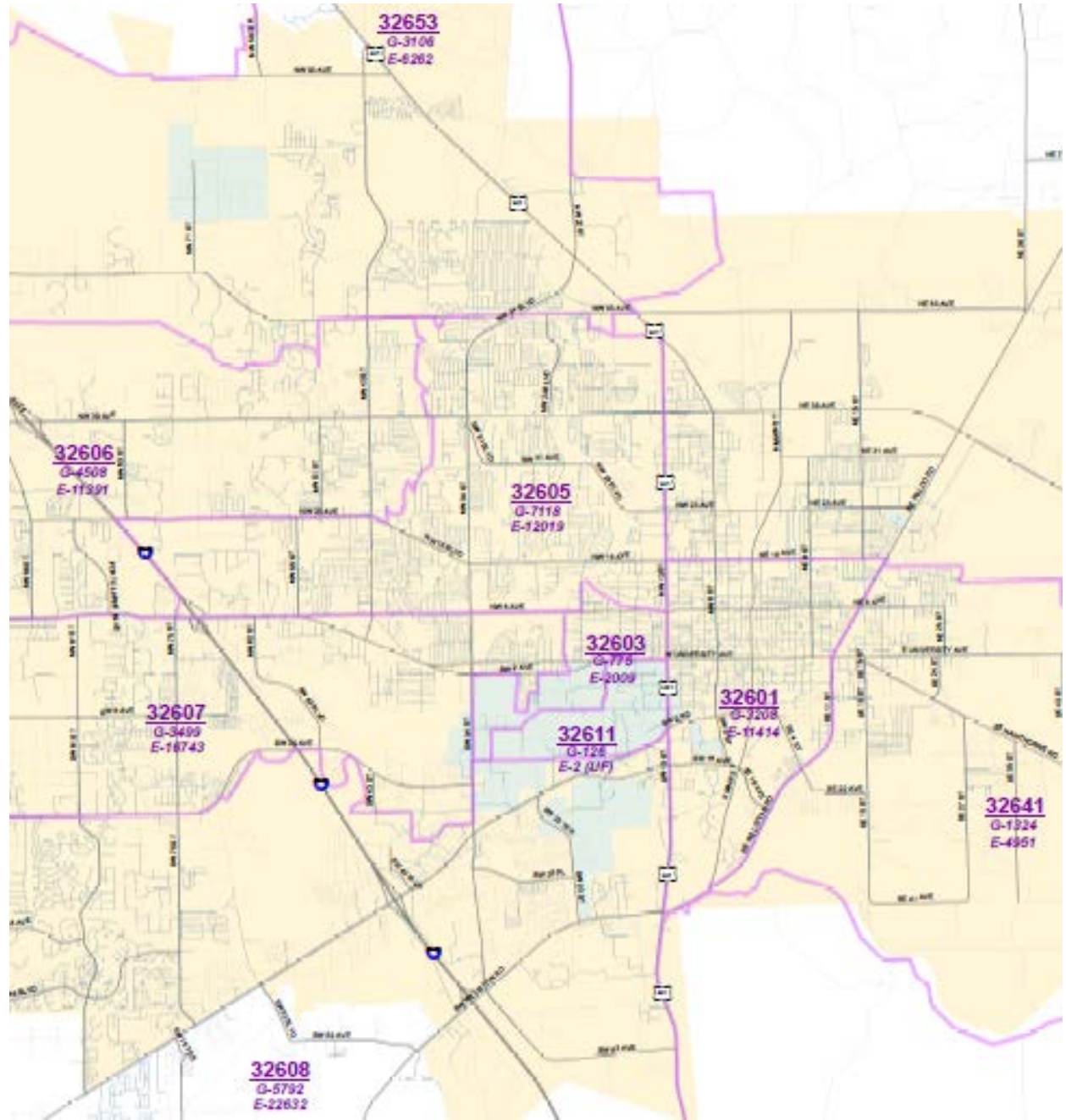
- GRU purchased Gainesville Gas in January 1990
- Approximately 19,000 customers at time of purchase
- Currently have approximately 34,000 customers

Gas & Electric Customers by Zip Code



Gas & Electric Customers by Zip Code

Zip code	Gas	Electric
32601	3,208	11,414
32603	775	2,009
32605	7,118	12,019
32606	4,508	11,991
32607	3,499	16,743
32608	5,792	22,632
32609	3,072	7,439
32611	126	2
32615	929	2
32618	79	-
32641	1,324	4,951
32643	80	-
32653	3,106	6,262
32669	1,034	-



LIVING WAGE INFORMATION

Living Wage Implementation Estimates

- \$12.00/hr
 - 5 Regular employees (full benefit options)
 - 2.5 Intern employees or 5 half-time
 - No Temporary employees
 - Estimated cost to implement \$8,707 w/overheads
- \$12.25/hr
 - 5 Regular employees (full benefit options)
 - 7.5 Intern employees or 2 full-time and 5.5 half-time
 - No Temporary employees
 - Estimated cost to implement \$16,637 w/overheads

Recommendation

- The City Commission direct the City Attorney to draft, and the Clerk of the Commission to advertise an ordinance to adopt the recommended rates, fees and charges for Electric, Water, Wastewater and Gas.