

# Gainesville Regional Utilities

## FY19 Budget Process



# FY19-FY20 Budget Calendar

<b><u>FEBRUARY</u></b>		<b><u>MAY</u></b>	
<b>8</b>	State of Utility – Budget Calendar	<b>1-4</b>	Individual and one group meetings with Officers to review budget, rates and any adjustments necessary*
<b>8</b>	Cost of Service Study presentation to UAB	<b>8</b>	<b>CC DS/Liquidity/Reserves discussion - Preliminary</b>
<b>27</b>	COS study presentation to CC	<b>11</b>	All Budget Revisions completed and submitted to Budget*
<b>27</b>	Budget Kickoff (Admin Building)*	<b>15</b>	<b>CC O&amp;M Labor/Non-labor discussion – Preliminary</b>
<b>28</b>	Budget Kickoff (EOC Building 7)*	<b>16</b>	<b>UAB DS/Liquidity/Reserves/Capital discussion - Preliminary</b>
<b><u>MARCH</u></b>		<b>18</b>	Finalize Budget/Run Allocations*
<b>8</b>	UAB State of the Utility – Budget Update	<b>21</b>	Begin Budget Document Preparation/ Presentation*
<b>12</b>	New Positions and Overfills request form submitted to Budget*	<b>22</b>	<b>CC Fuels - Preliminary</b>
<b>19-23</b>	CC – Individual meetings on Budget	<b>23</b>	<b>CC Capital - Preliminary</b>
<b>23</b>	Position Control to be sent out and begun by departments. Project Systems (capital) budgeting to begin.*	<b>25</b>	Budget Document 1 <sup>st</sup> Draft Review*
<b>23</b>	Accounting Closes February*	<b>31</b>	<b>UAB Revenue/O&amp;M/Fuels discussion - Preliminary</b>
<b>26</b>	Upload 5 months actuals to BPC*	<b><u>JUNE</u></b>	
<b>27</b>	UAB goals workshop	<b>1</b>	Budget Document 2 <sup>nd</sup> Draft Review*
<b>28</b>	Departments start entering budget into BPC templates*	<b>14</b>	UAB State of the Utility – Budget Update
<b>Various</b>	One ERP Labs – Focus on BPC	<b>14</b>	Budget Document Finalized*
<b><u>APRIL</u></b>		<b>19</b>	Dry Run Presentation UAB*
<b>10</b>	<b>CC/UAB goals workshop</b>	<b>26</b>	<b>1<sup>st</sup> UAB Presentation</b>
<b>11</b>	Departments submit first draft budget. BFA runs first draft of allocations and does analysis of outcome*	<b><u>JULY</u></b>	
<b>12</b>	UAB State of the Utility – Budget Update	<b>1-6</b>	CC One on one walk-throughs
<b>13</b>	Departments edit first draft*	<b>6</b>	Dry Run Presentation CC*
<b>16</b>	Departments to complete all BPC templates and have Owner sign off. All position control and Project Systems completed. Rerun final BPC allocations.*	<b>12</b>	<b>Final Presentation to UAB</b>
<b>23</b>	Preliminary Model Run*	<b>17</b>	<b>Final Presentation to CC</b>
<b>24</b>	<b>CC Revenue discussion - Preliminary</b>		
<b>25</b>	BFA Management Review of Preliminary Model/Rates*		
<b>30</b>	Executive Staff Review of Preliminary Rates*		

\* Internal Only

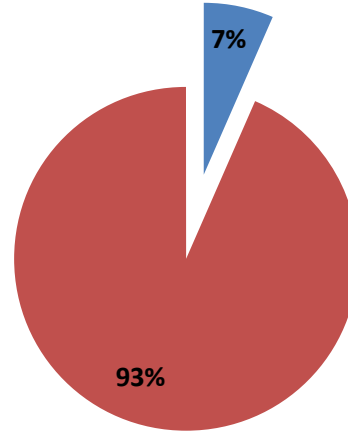
February						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			
March						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
April						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					
May						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		
June						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
July						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

## Baseline Budget Approach

- Baseline budget: maintain current service levels at current staffing with no pay increases
  
- Potential increments
  - Smart Metering
  - Total Rewards Study (Compensation package)
  - Solar initiative
  - ERP projects
    - EAM
    - CCS
  - Additional FTEs
  - Salary increases (2% beginning January 1)

## Post DHR FY18 Budget

■ Discretionary ■ Non-discretionary



Fuels	105,966,791
Debt Service	90,489,592
Labor	58,781,000
Other plant related costs	47,566,492
UPIF	41,120,553
GFT	36,379,080
Subtotal non-discretionary	380,303,508
Non-labor O & M (discretionary)	26,729,942
Total	407,033,450
% discretionary	6.57%

HISTORICAL & PROJECTED REVENUE REQUIREMENT INCREASES													
	ACTUAL								PROJECTED DURING FY18 BUDGET PROCESS				
	FY12	FY13	FY14	FY15	FY16	FY17	FY18	2/1/2018	FY19	FY20	FY21	FY22	FY23
Electric	1.72%	0.00%	-5.60%	-8.50%	0.00%	0.00%	2.00%	31.40%*	3.00%	4.00%	2.00%	1.00%	2.00%
Water	8.41%	3.50%	3.85%	3.75%	3.75%	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Wastewater	4.40%	3.00%	2.40%	4.85%	4.85%	3.00%	0.00%	0.00%	0.00%	0.00%	4.00%	4.00%	1.00%
Gas	0.00%	0.00%	0.85%	4.25%	4.75%	9.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

\* Fuel adjustment rate declined 50% concurrent with this revenue requirement increase