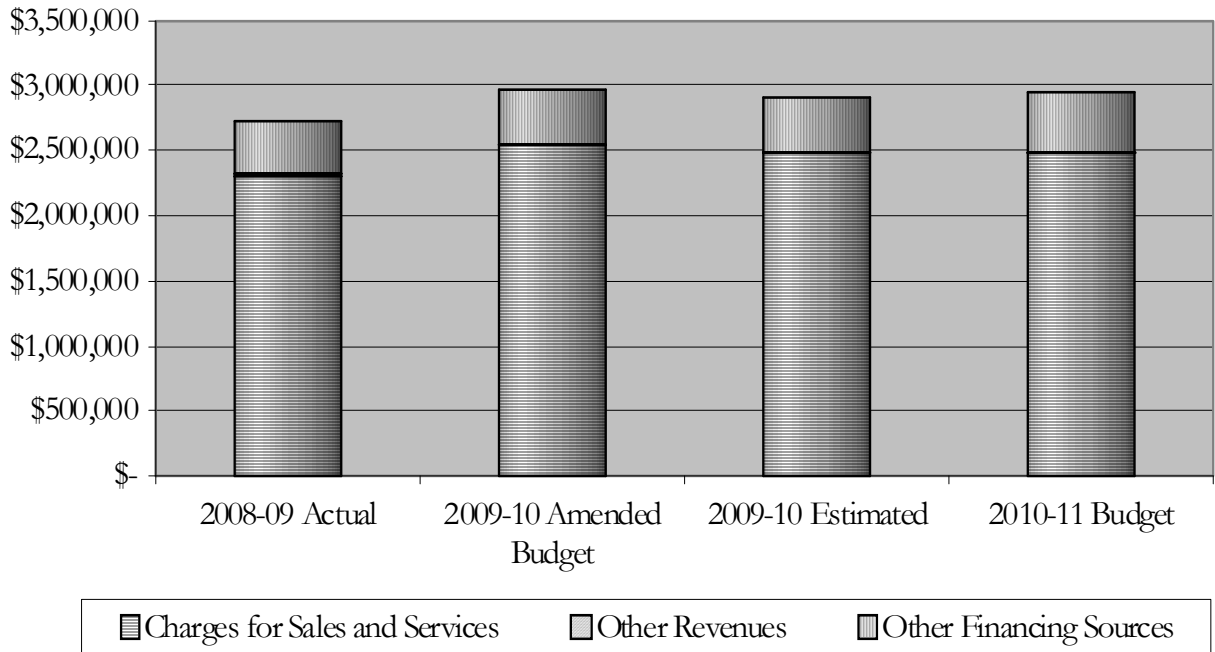


UTILITY ADMINISTRATION FUND REVENUE SUMMARY

Sources	2008-09 Actual	2009-10 Amended Budget	2009-10 Estimated	2010-11 Budget
Charges for Sales and Services	\$ 2,312,115	\$ 2,549,448	\$ 2,488,163	\$ 2,482,883
Other Revenues	1,268	300	250	550
Other Financing Sources	419,415	419,415	419,415	460,170
Total	\$ 2,732,798	\$ 2,969,163	\$ 2,907,828	\$ 2,943,603



**UTILITY ADMINISTRATION DEPARTMENT
INTERNAL SERVICE FUND**

Statement of Department's Purpose:

The purpose of the Utility Administration Department is to account for administrative overhead costs, which are shared by all utility departments and support functions. This department also includes the Utilities Commission. The Utilities Commission acts as an advisory board by monitoring operational activities of the City's utilities, reporting findings and making recommendations for approval to the City Council on a monthly basis.

2010-11 Objectives:

- To update internal service department cost allocations annually based on services provided to other city departments
- Make recommendations with regard to annual budget, rate changes, as well as utility based contracts and bids so as to reduce the burden placed on the City Council
- Provide forum for customer complaints, appeals on customer utility issues, extensions, etc.

Budget Summary:

Expenditure Summary	2008-09 Actual	2009-10 Amended Budget	2009-10 Estimated	2010-11 Budget
Personnel	\$ 225,707	\$ 243,027	\$ 243,027	\$ 231,736
Operations	169,065	164,177	164,177	188,724
Capital Outlay	-	-	-	-
Other Financing Uses	419,415	419,415	419,415	419,415
Total	\$ 814,187	\$ 826,619	\$ 826,619	\$ 839,875

Personnel Positions	2008-09 Authorized	2009-10 Authorized	2010-11 Authorized	2010-11 Funded
Board Members	5	5	5	5

Capital Outlay: None.

**CUSTOMER SERVICE DEPARTMENT
INTERNAL SERVICE FUND**

Statement of Department's Purpose:

The purpose of the Customer Service Department is to assist customers with utility service, answer utility questions, facilitate bill payment and provide for timely billings, while concentrating at all times on quality customer service.

Departmental Functions:

Answer incoming lines for all departments and maintain city-wide phone system, processing of all City receivables including bank drafts and online payments, debt setoff program, utility billing, payment arrangements, connection and disconnection of service, answering of bill questions, automated outage reporting and key account program.

2010-11 Objectives:

- Provide 100% on time and accurate billing
- Keep satisfaction level at or above 95% based on survey response
- Maintain collection level of 99.3%
- Increase efficiency through the use of innovative ideas and technology such as online energy audits, online service requests, automated phone payments and offsite kiosk

Performance Measures Summary:

Measures	FY 06-07	FY 07-08	FY 08-09
# of dept. employees	14	14	14
# of bills/month	22,262	22,534	22,548
Cost of generating a bill (includes labor)	\$0.76	\$0.76	\$0.89
# of walk-in payments	143,669	135,805	132,464
# of dr/cr card payments	14,600	12,682	6,864
# of web payments	2,266	11,178	20,853
# of automated phone payments	0	0	2,977
# of pay arrangements	18,784	21,020	23,144
# of service requests processed	2,283	2,388	2,317

**CUSTOMER SERVICE DEPARTMENT
INTERNAL SERVICE FUND**

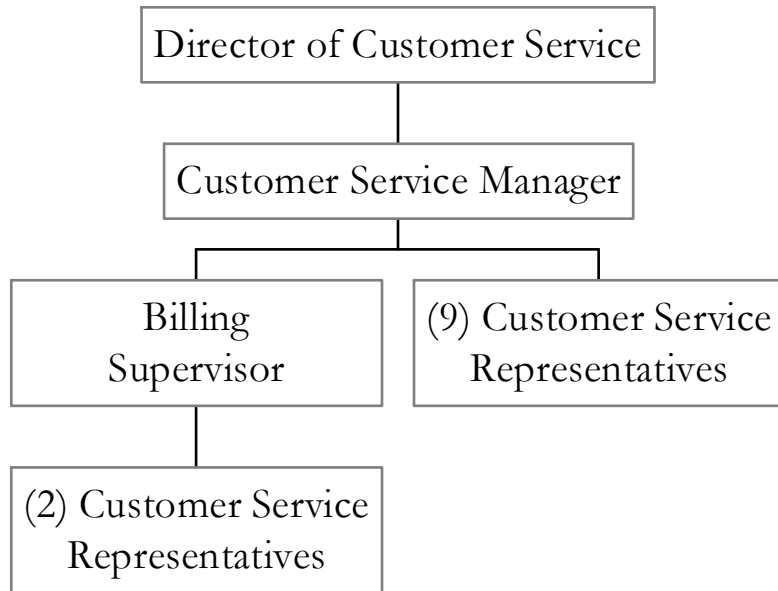
Budget Summary:

Expenditure Summary	2008-09 Actual	2009-10 Amended Budget	2009-10 Estimated	2010-11 Budget
Personnel	\$ 661,972	\$ 686,980	\$ 620,649	\$ 701,404
Operations	256,889	324,826	316,350	313,279
Capital Outlay	9,650	-	-	-
Total	\$ 928,511	\$ 1,011,806	\$ 936,999	\$ 1,014,683

Personnel Positions	2008-09 Authorized	2009-10 Authorized	2010-11 Authorized	2010-11 Funded
Full Time	14	14	14	14

Capital Outlay: None.

City of Lexington Customer Service



**WAREHOUSING DEPARTMENT
INTERNAL SERVICE FUND**

Statement of Department’s Purpose:

The purpose of the Warehousing Department is to act as a central purchasing and warehousing operation for Electric, Natural Gas and the Public Works division of the Water and Sewer utilities; and to maintain materials and equipment in support of utilities maintenance and construction projects.

Departmental Functions:

- Purchase all material for Natural Gas, Electric, and Public Works
- Maintain adequate inventory levels for all three utilities
- Send quotations out for best pricing for all three utilities
- Review inventory levels and identify minimum reorder quantities
- Maintain clean and safe warehouses
- Monitor remote site, the Young Drive storage yard, for accurate inventory levels
- Dispose of PCB transformers with Solomon Corporation and maintain records

2010-11 Objectives:

- Reorganize and efficiently utilize the outside storage area at the central warehouse
- Continue training new employees in regard to receiving, storing, issuing, and accountability
- Continue safe, accident-free and injury-free daily operations

Performance Measures Summary:

Measures	FY 06-07	FY 07-08	FY 08-09
# of dept. employees	3	3	3
\$ value of inventory	\$1.77 Million	\$1.75 Million	\$1.69 Million
# of inventory items	1,604	1,639	1,708
# of departments served	3	3	3
# of pick tickets or work orders/year	1,000	1,250	1,100
# of pick tickets or work orders/employee	333	416	366

**WAREHOUSING DEPARTMENT
INTERNAL SERVICE FUND**

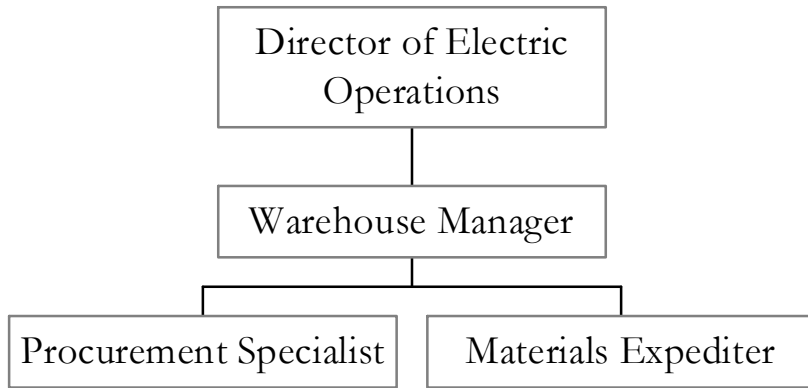
Budget Summary:

Expenditure Summary	2008-09 Actual	2009-10 Amended Budget	2009-10 Estimated	2010-11 Budget
Personnel	\$ 164,051	\$ 169,802	\$ 167,578	\$ 176,111
Operations	15,639	18,455	12,150	20,230
Capital Outlay	2,184	-	-	-
Total	\$ 181,874	\$ 188,257	\$ 179,728	\$ 196,341

Personnel Positions	2008-09 Authorized	2009-10 Authorized	2010-11 Authorized	2010-11 Funded
Full Time	3	3	3	3

Capital Outlay: None.

City of Lexington Warehousing



**METER READING DEPARTMENT
INTERNAL SERVICE FUND**

Statement of Department’s Purpose:

The purpose of the Meter Reading Department is to inspect and read all utility meters as scheduled, handle move-in and move-out service orders while providing excellent in-field customer service.

Departmental Functions:

Meter reading, non-pay disconnections, connect and disconnect services, notification of water leaks, medical alert, neighborhood watch.

2010-11 Objectives:

- Provide accuracy levels of at least 99.5% on readings
- Continue to notify customers of consumption increases or irregularities
- Provide educated responses to customer questions in the field
- Increase value added services through quicker response times with Automated Meter Reading (AMR) implementation
- Cross train throughout City to broaden knowledge with “valued employee” concept in mind

Performance Measures Summary:

Measures	FY 06-07	FY 07-08	FY 08-09
# of employees reading meters	7	7	6
# of employees dedicated to disconnects, cut-offs, cut-ons	2	2	2
# of AMR meters	6,420	14,144	15,639
# of non-AMR meters	36,357	30,515	23,356
Non-AMR meters read per employee	5,194	5,086	4,671
# of disconnects per year for non-payment	4,900	4,146	4,274
# of miles driven	112,000	122,693	94,358

**METER READING DEPARTMENT
INTERNAL SERVICE FUND**

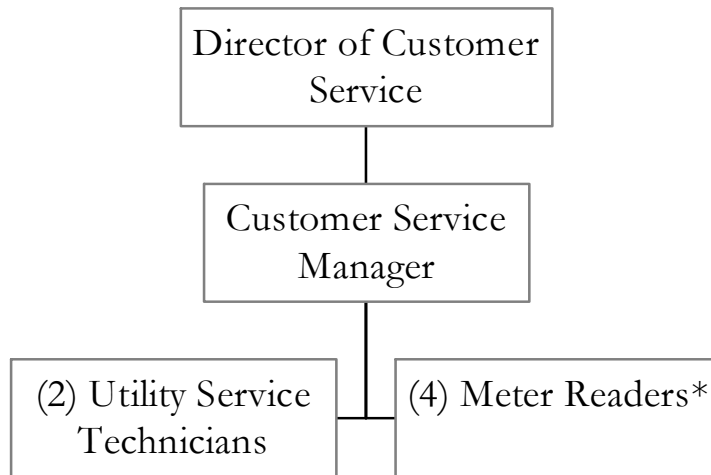
Budget Summary:

Expenditure Summary	2008-09 Actual	2009-10 Amended Budget	2009-10 Estimated	2010-11 Budget
Personnel	\$ 327,018	\$ 330,789	\$ 316,710	\$ 301,561
Operations	77,838	66,015	58,113	60,230
Capital Outlay	-	-	-	-
Total	\$ 404,856	\$ 396,804	\$ 374,823	\$ 361,791

Personnel Positions	2008-09 Authorized	2009-10 Authorized	2010-11 Authorized	2010-11 Funded
Full Time	8	6	6	5

Capital Outlay: None.

City of Lexington Meter Reading



*1 Meter Reader position not funded last quarter of budget year 2010-2011

**MARKETING DEPARTMENT
INTERNAL SERVICE FUND**

Statement of Department’s Purpose:

The purpose of the Marketing Department is to promote the City’s Electric and Natural Gas utilities to existing and potential customers.

Departmental Functions:

- Awareness through festivals, events, and one on one contact
- Energy audits
- Energy conservation
- Heat pump and water heater rebates
- Natural Gas incentives and rebates
- Utility advertisements – TV, Radio, Newspapers and Sponsorships

2010-11 Objectives:

- Promote growth of the City’s utility customer base
- Market natural gas service to potential customers in the new expansion areas of Southmont and Tyro
- Provide all-electric and all-natural gas incentives to customers

Performance Measures Summary:

Measures	FY 06-07	FY 07-08	FY 08-09
# of staff hours dedicated to marketing/week	99	99	99
Electric advertising budget	\$36,938	\$38,558	\$43,050
Natural Gas advertising budget	\$86,190	\$88,303	\$100,450
Water heater rebates	\$41,550	\$35,100	\$35,400
Heat pump rebates	\$81,600	\$64,000	\$80,800
Natural Gas incentives	\$92,702	\$99,754	\$41,371
New Electric customers	198	150	88
New Natural Gas customers	257	393	211
# of energy audits	N/A	N/A	48

**MARKETING DEPARTMENT
INTERNAL SERVICE FUND**

Budget Summary:

Expenditure Summary	2008-09 Actual	2009-10 Amended Budget	2009-10 Estimated	2010-11 Budget
Personnel	\$ 148,898	\$ 135,437	\$ 133,316	\$ 140,228
Operations	345,033	410,240	318,250	390,685
Capital Outlay	-	-	-	-
Total	\$ 493,931	\$ 545,677	\$ 451,566	\$ 530,913

Personnel Positions	2008-09 Authorized	2009-10 Authorized	2010-11 Authorized	2010-11 Funded
Full Time	2	2	2	2

Capital Outlay: None.

City of Lexington Marketing

