

**MINUTES OF THE REGULAR BOARD MEETING OF KISSIMMEE UTILITY  
AUTHORITY, WEDNESDAY, JUNE 25, 2003, 5:30 P.M., BRINSON BOARD ROOM,  
ADMINISTRATION BUILDING, 1701 W. CARROLL STREET, KISSIMMEE, FLORIDA**

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Present were Chairman Larry Walter, Vice-Chairman Don Shearer, Director Domingo Toro, Director Nancy Gemskie, Director Bill Hart, Mayor Gant, General Manager James Welsh, Vice-President and General Counsel Grant Lacerte and Recording Secretary Judy Womack.

**A. MEETING CALLED TO ORDER** at 5:30 p.m. by Chairman Walter.

**B. PLEDGE OF ALLEGIANCE**

The Board and staff recited the Pledge of Allegiance.

**C. AWARDS AND PRESENTATIONS**

**1. ANNUAL REPORT SUBJECT RECOGNITION**

This item was put on hold until everyone arrived.

**2. 5-YEAR SERVICE AWARD – DEBBIE BRANDT, CUSTOMER  
SERVICE REPRESENTATIVE, CUSTOMER SERVICE AND  
MARKETING**

Mr. Welsh introduced Debbie Brandt and noted that she has a smile for everyone, everyday and plays an important role in getting the bills out. He introduced her to members of the Board. Chairman Walter presented Mrs. Brandt with a certificate and a desk clock.

**3. 35-YEAR SERVICE AWARD – JIM CANTWELL, UTILITY PLANNER,  
ENGINEERING AND OPERATIONS**

Mr. Welsh introduced Jim Cantwell and noted that throughout the years of high growth, Jim has kept up with a busy workload. Chairman Walter thanked Mr. Cantwell for his years of service and presented him with a certificate and a tiffany lamp.

**1. ANNUAL REPORT SUBJECT RECOGNITION**

Chris Gent, Manager of Corporate Communications presented framed photographs and hard hats to nine individuals profiled in the Power of U, Kissimmee Utility Authority's 2002 Annual Report. Terry Lloyd, Director of the Kissimmee Airport was unable to attend and was given the award earlier. Mr. Gent introduced: Kip Watson, Director of the Osceola Center for the Arts; Brenda Miller, owner of Sittin' Pretty; Buster Makinson, owner of Makinson Hardware; Jamie Boswell, top Apprentice Lineman in the Florida State Rodeo last year; Mel Prado; Internet customer and resident of Solivita; Michelle Scharfenberg, a.k.a. McGruff the Crime Dog and Justin Ruiz, seven year old student.

**4. EMPLOYEE OF THE MONTH JULY – TONY SILVER**

Mr. Welsh introduced Tony Silver and emphasized what an important position he holds as a Water Quality Specialist. He commented that there have been no major problems with water quality at the power plants since Tony has held the position. Mr. Welsh read letters from a fellow co-worker, his manager and his department's vice-president. Chairman Walter presented Tony with a plaque. Director Toro presented Tony with a check. Director Gemskie presented Tony with a certificate for a day off with pay. Director Hart presented Tony with a certificate for a good parking space. Director Shearer presented Tony with a one year membership to the Osceola Center for the Arts. Dr. Gant presented Tony with a gift certificate to Sonny's.

**D. HEAR THE AUDIENCE** – None

**E. CONSENT AGENDA**

**MOTION** Director Shearer made a motion, seconded by Director Gemskie to approve the consent agenda as written.

**MOTION CARRIED 5-0.**

**F. PUBLIC HEARING**

**1. RESOLUTION NO. 03-05 – FISCAL YEAR 2004 BUDGET**

Joe Hostetler, Vice President of Finance gave a power point presentation highlighting key points of the Fiscal Year 2003-2004 Budget. The total proposed budget is for \$154,813,893., with the equivalent of 289.5 full time positions. He pointed out three changes from the workshop held on June 11, 2003. They were \$2,000,000 reclassified from capital to inventory; the removal of the Electronic Data Interchange (EDI) project which is not needed at this time; and refining four minor items for a total of \$55,438.

Mr. Hostetler pointed out a chart showing the Analysis of Average Cost Growth rising since 1987 in answer to a question that Mayor Gant had during the special budget hearing. There was a brief discussion on interest revenues being down and whether or not to take a look at spending cash for major projects rather than investing in the bond market. Mr. Hostetler also clarified two line items in reference to line extensions.

**MOTION** Director Toro made a motion, seconded by Director Gemskie to approve Resolution No. 03-05, Fiscal Year 2004 Budget.

**MOTION CARRIED 5-0.**

**G. INFORMATIONAL PRESENTATIONS (REQUIRING NO ACTION) None**

**H. OLD BUSINESS None**

**I. NEW BUSINESS None**

**J. STAFF REPORTS**

**1. MONTHLY PROGRESS REPORT ON ENGINEERING & OPERATIONS PROJECTS.**

This was a written report.

**2. MONTHLY REPORT ON POWER SUPPLY DEPARTMENT PROJECTS**

This was a written report.

**3. CONDENSED FINANCIAL REPORT – MAY 2003**

Joe Hostetler, Vice President of Finance pointed out that sales were up 6% in May and the expenses were very close to the projected budget for May.

**4. DEPARTMENTAL HIGHLIGHTS – HUMAN RESOURCES**

Wilbur Hill, Vice President of Human Resources gave an overview of employment at KUA. Mr. Hill stated that KUA currently has the equivalent of 284.5 full time employees with a proposed change to 289.5 equivalent full time positions in next year's budget. Mr. Hill pointed out that the majority of the KUA work force consists of employees from the "baby-boom" generation which is a statistic which will be monitored as retirement age comes around. Mr. Hill also pointed out the high number of applications that the Human Resources department has processed so far this calendar year, over 5,700.

**K. HEAR INTERNAL AUDIT, ATTORNEY, GENERAL MANAGER, DIRECTORS**

General Manager Welsh presented the Board members with Access Osceola shirts which he requested that they wear to next months Board meeting as Access Osceola will have a presentation next month.

General Manager Welsh gave each of the Board members copies of an Internet survey that customers are encouraged to respond to with questions about Access Osceola on it. The results will be presented at the August meeting.

Grant Lacerte, Vice President and General Counsel had no new items to report on. Algertha Diggs, Manager of Internal Audit had nothing to report to the Board.

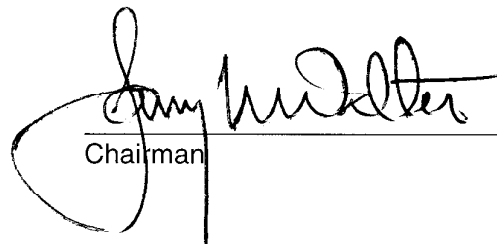
Dr. Gant thanked the staff for an outstanding job preparing the budget.

L. **ADJOURNMENT**

Meeting adjourned at 6:45 p.m.



Secretary



Chairman