

Gainesville Regional Utilities

Interim Financial Statements - Unaudited

For the Period Ended June 30, 2022



**Gainesville Regional Utilities
Financial Statements - Unaudited
For the Period Ended June 30, 2022**

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Overview and Basis of Accounting

Gainesville Regional Utilities Financial Statements - Unaudited For the Period Ended June 30, 2022

Overview

Gainesville Regional Utilities (GRU or the Utility) is a combined municipal utility system operating electric, water, wastewater, natural gas, and telecommunications (GRUCom) systems. GRU is a utility enterprise of the City of Gainesville, Florida (City) and is reported as an enterprise fund in the annual comprehensive financial report of the City.

We offer readers these unaudited utility system financial statements for the period ended June 30, 2022.

Basis of Accounting

GRU is required to follow the provisions in the Second Amended and Restated Utilities System Revenue Bond Resolution (Resolution) adopted by the City on September 21, 2017. GRU's electric and gas accounts are maintained substantially in accordance with the Uniform System of Accounts of the Federal Energy Regulatory Commission (FERC), as required by the Resolution, and in conformity with accounting principles generally accepted in the United States of America using the accrual basis of accounting, including the application of regulatory accounting as described in Governmental Accounting Standards Board (GASB) Statement No. 62 - *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

GRU prepares its financial statements in accordance with GASB Statement No. 62, *paragraphs 476-500, Regulated Operations*, and records various regulatory assets and liabilities. For a government to report under GASB Statement No. 62, its rates must be designed to recover its costs of providing services, and the utility must be able to collect those rates from customers. If it were determined, whether due to regulatory action or competition, that these standards no longer applied, GRU could be required to expense its regulatory assets and liabilities. Management believes that GRU currently meets the criteria for continued application of GASB Statement No. 62, but will continue to evaluate significant changes in the regulatory and competitive environment to assess continuing applicability of the criteria.

The Resolution specifies the flow of funds from revenues and the requirements for the use of certain restricted and unrestricted assets. Under the Resolution, rates are designed to cover operation and maintenance expenses, rate stabilization, debt service requirements, utility plant improvement fund contributions and for any other lawful purpose. The flow of funds excludes depreciation expense and other noncash revenue and expense items. This method of rate setting results in costs being included in the determination of rates in different periods than when these costs are recognized for financial statement purposes. The effects of these differences are recognized in the determination of operating income in the period that they occur, in accordance with GRU's accounting policies.

Financial Statements

Gainesville Regional Utilities
Statements of Net Position - Unaudited
June 30, 2022 and 2021

	June 30, 2022	June 30, 2021	Change (\$)	Change (%)
Assets				
Current assets:				
Cash and investments	\$ 16,750,877	\$ 47,122,526	\$ (30,371,649)	(64.5%)
Accounts receivable, net of allowance for uncollectible accounts of \$631,235 and \$4,054,996 respectively	61,133,018	50,895,453	10,237,565	20.1%
Inventories:				
Fuel	7,832,927	5,388,504	2,444,423	45.4%
Materials and supplies	23,983,879	13,549,378	10,434,501	77.0%
Fuel and purchased gas adjustment	20,404,159	1,890,717	18,513,442	979%
Other assets and regulatory assets	6,796,918	1,906,012	4,890,906	256.6%
Total current assets	136,901,778	120,752,590	16,149,188	13.4%
Restricted and internally designated assets:				
Utility deposits - cash and investments	8,735,986	8,461,278	274,708	3.2%
Debt service - cash and investments	38,919,743	32,182,406	6,737,337	20.9%
Debt defeasance - cash and investments	1,160,993	3,508,281	(2,347,288)	(66.9%)
Fuel hedges - cash and investments	8,069,346	-	8,069,346	-
Rate stabilization - cash and investments	65,307,073	63,383,832	1,923,241	3.0%
Construction fund - cash and investments	85,352,113	21,855,932	63,496,181	290.5%
Utility plant improvement fund - cash and investments	55,719,814	59,828,664	(4,108,850)	(6.9%)
Total restricted and internally designated assets	263,265,068	189,220,393	74,044,675	39.1%
Noncurrent assets:				
Net costs recoverable in future years - regulatory assets	45,998,514	40,654,464	5,344,050	13.1%
Unamortized debt issuance costs - regulatory assets	9,941,953	9,211,643	730,310	7.9%
SWAP termination fees - noncurrent regulatory asset	30,230,906	-	30,230,906	-
Fair value of derivative instruments - asset	41,411,350	-	41,411,350	-
Investment in The Energy Authority	7,571,422	5,731,534	1,839,888	32.1%
Pollution remediation - regulatory asset	6,634,179	7,929,313	(1,295,134)	(16.3%)
Other noncurrent assets and regulatory assets	10,228,176	7,691,713	2,536,463	33.0%
Pension regulatory asset	91,660,850	103,685,328	(12,024,478)	(11.6%)
Net pension asset	42,996,046	-	42,996,046	-
Net other post employment benefits asset	3,308,962	-	3,308,962	-
Total noncurrent assets	289,982,358	174,903,995	115,078,363	65.8%
Capital assets:				
Utility plant in service	3,025,016,085	2,934,096,530	90,919,555	3.1%
Less: accumulated depreciation and amortization	(1,289,794,293)	(1,201,498,082)	(88,296,211)	7.3%
	1,735,221,792	1,732,598,448	2,623,344	0.2%
Construction in progress	110,678,277	131,482,663	(20,804,386)	(15.8%)
Net capital assets	1,845,900,069	1,864,081,111	(18,181,042)	(1.0%)
Total assets	2,536,049,273	2,348,958,089	187,091,184	8.0%
Deferred outflows of resources:				
Unamortized loss on refunding of bonds	8,988,730	10,286,844	(1,298,114)	(12.6%)
Accumulated decrease in fair value of hedging derivative	10,840,820	73,263,013	(62,422,193)	(85.2%)
General Employees' Pension plan costs	4,297,375	21,226,376	(16,929,001)	(79.8%)
Other post-employment benefits plan	875,006	4,391,772	(3,516,766)	(80.1%)
Total deferred outflows of resources	25,001,931	109,168,005	(84,166,074)	(77.1%)
Total assets and deferred outflows of resources	\$ 2,561,051,204	\$ 2,458,126,094	\$ 102,925,110	4.2%

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Gainesville Regional Utilities
Statements of Net Position - Unaudited (concluded)
June 30, 2022 and 2021

	June 30, 2022	June 30, 2021	Change (\$)	Change (%)
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 12,426,488	\$ 13,781,559	\$ (1,355,071)	(9.8%)
Fuels payable	17,655,241	6,215,541	11,439,700	184%
Due to other funds	4,262,435	5,311,060	(1,048,625)	(19.7%)
Other liabilities and regulatory liabilities	1,175,262	1,338,590	(163,328)	(12.20%)
Total current liabilities	35,519,426	26,646,750	8,872,676	33.3%
Payable from restricted assets:				
Utility deposits	8,730,781	8,456,111	274,670	3.2%
Accounts payable and accrued liabilities	1,250,409	4,292,488	(3,042,079)	(70.9%)
Utility system revenue bonds - current	30,425,000	25,685,000	4,740,000	18.5%
Accrued interest payable	15,740,713	16,034,896	(294,183)	(1.8%)
Other liabilities and regulatory liabilities	1,751	10,805	(9,054)	(83.8%)
Total payable from restricted assets	56,148,654	54,479,300	1,669,354	3.1%
Long-term debt:				
Utility system revenue bonds	1,700,840,000	1,612,195,000	88,645,000	5.5%
Unamortized bond premium/discount	105,602,928	85,052,167	20,550,761	24.2%
Fair value of derivative instruments	-	74,590,810	(74,590,810)	(100.0%)
Total long-term debt	1,806,442,928	1,771,837,977	34,604,951	2.0%
Noncurrent liabilities:				
Reserve for insurance claims	3,337,000	3,337,000	-	0.0%
Reserve for environmental liability	708,000	841,000	(133,000)	(15.8%)
Net pension liability	-	14,566,344	(14,566,344)	(100.0%)
Net other post-employment benefits liability	-	854,405	(854,405)	(100.0%)
Due to other funds	102,186,631	108,519,131	(6,332,500)	(5.8%)
Other noncurrent liabilities and regulatory liabilities	1,385,067	4,628,460	(3,243,393)	(70.1%)
Total noncurrent liabilities	107,616,698	132,746,340	(25,129,642)	(18.9%)
Total liabilities	2,005,727,706	1,985,710,367	20,017,339	1.0%
Deferred inflows of resources:				
Rate stabilization	63,017,235	58,809,527	4,207,708	7.2%
Accumulated increase in fair value of hedging derivative	41,893,493	-	41,893,493	-
General Employees' Pension plan costs	36,022,306	1,196,323	34,825,983	2911.1%
Other post-employment benefits plan	8,772,114	6,633,675	2,138,439	32.2%
Total deferred inflows of resources	149,705,148	66,639,525	83,065,623	124.6%
Net position				
Net investment in capital assets	108,756,433	176,928,107	(68,171,674)	(38.5%)
Restricted	127,497,465	84,053,560	43,443,905	51.7%
Unrestricted	169,364,452	144,794,535	24,569,917	17.0%
Total net position	405,618,350	405,776,202	(157,852)	(0.0%)
Total liabilities, deferred inflows of resources and net position	\$ 2,561,051,204	\$ 2,458,126,094	\$ 102,925,110	4.2%

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Gainesville Regional Utilities
Statements of Revenues, Expenses, and Changes in Net Position - Unaudited
For the Periods Ended June 30, 2022 and 2021

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Operating revenues:		
Sales and service charges	\$ 335,882,004	\$ 283,411,692
Transfer from (to) rate stabilization	2,795,582	(657,052)
Amounts to be recovered from future revenue	4,005,888	4,012,411
Other operating revenue	15,859,294	10,034,671
Total operating revenues	<u>358,542,768</u>	<u>296,801,722</u>
Operating expenses:		
Operation and maintenance	182,111,014	138,959,098
Administrative and general	25,519,640	22,651,047
Depreciation and amortization	76,877,630	74,864,849
Total operating expenses	<u>284,508,284</u>	<u>236,474,994</u>
Operating income	<u>74,034,484</u>	<u>60,326,728</u>
Non-operating income (expense):		
Interest income	1,116,560	833,732
Interest expense, net of AFUDC	(48,463,883)	(42,994,174)
Other interest related income, BABs	3,761,792	3,815,487
Other income (expense)	(4,980,728)	(849,545)
Total non-operating income (expense)	<u>(48,566,259)</u>	<u>(39,194,500)</u>
Income before capital contributions and transfer	<u>25,468,225</u>	<u>21,132,228</u>
Capital contributions:		
Contributions from third parties	8,440,600	4,131,536
Reduction of plant costs recovered through contributions	(39,002)	(147,026)
Net capital contributions	<u>8,401,598</u>	<u>3,984,510</u>
Transfer to City of Gainesville General Fund	<u>(27,212,250)</u>	<u>(28,713,750)</u>
Change in net position	6,657,573	(3,597,012)
Net position - beginning of year	398,960,777	409,373,214
Net position - end of period	<u>\$ 405,618,350</u>	<u>\$ 405,776,202</u>

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2022 and 2021

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Electric system:				
Sales of electricity	\$ 147,381,948	\$ 136,055,705	\$ 11,326,243	8.3
Fuel adjustment	86,409,605	58,188,454	28,221,151	48.5
Sales for resale	6,872,373	3,960,962	2,911,411	73.5
Transfer from (to) rate stabilization	1,142,751	(2,506,535)	3,649,286	145.6
Other revenue	4,881,436	4,128,214	753,222	18.2
Other income	1,294,686	3,425,157	(2,130,471)	(62.2)
Build America Bonds	2,061,033	2,095,264	(34,231)	(1.6)
Total electric system revenues	<u>250,043,832</u>	<u>205,347,221</u>	<u>44,696,611</u>	<u>21.8</u>
Water system:				
Sales of water	26,925,621	26,126,743	798,878	3.1
Transfer from (to) rate stabilization	(510,731)	(819,183)	308,452	37.7
Other revenue	3,011,953	1,733,784	1,278,169	73.7
Other income	135,982	117,999	17,983	15.2
Build America Bonds	588,484	595,864	(7,380)	(1.2)
Total water system revenues	<u>30,151,309</u>	<u>27,755,207</u>	<u>2,396,102</u>	<u>8.6</u>
Wastewater system:				
Sales of services	34,038,887	30,324,559	3,714,328	12.2
Transfer from (to) rate stabilization	1,348,088	1,510,583	(162,495)	(10.8)
Other revenue	5,867,683	2,157,648	3,710,035	171.9
Other income	111,114	256,151	(145,037)	(56.6)
Build America Bonds	680,039	685,113	(5,074)	(0.7)
Total wastewater system revenues	<u>42,045,811</u>	<u>34,934,054</u>	<u>7,111,757</u>	<u>20.4</u>
Gas system:				
Sales of gas	12,884,960	13,190,380	(305,420)	(2.3)
Purchased gas adjustment	12,289,735	6,867,025	5,422,710	79.0
Transfer from (to) rate stabilization	815,474	(112,140)	927,614	827.2
Other revenue	377,389	378,096	(707)	(0.2)
Other income	79,391	106,417	(27,026)	(25.4)
Build America Bonds	432,236	439,246	(7,010)	(1.6)
Total gas system revenues	<u>26,879,185</u>	<u>20,869,024</u>	<u>6,010,161</u>	<u>28.8</u>
Telecommunications system:				
Sales of services	9,078,873	8,669,563	409,310	4.7
Transfer from (to) rate stabilization	-	1,270,223	(1,270,223)	(100.0)
Other revenue	52,665	21,274	31,391	147.6
Other income	42,433	32,646	9,787	30.0
Total telecommunications system revenues	<u>9,173,971</u>	<u>9,993,706</u>	<u>(819,735)</u>	<u>(8.2)</u>
Total revenues	<u>358,294,108</u>	<u>298,899,212</u>	<u>59,394,896</u>	<u>19.9</u>

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2022 and 2021

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	June 30, 2022	June 30, 2021	Change (\$)	Change (%)
Operation, maintenance, and administrative expenses:				
Electric system:				
Fuel expenses	86,409,605	58,188,454	28,221,151	48.5
Operation and maintenance	52,988,658	46,114,320	6,874,338	14.9
Administrative and general	17,912,616	16,369,578	1,543,038	9.4
Total electric system expenses	157,310,879	120,672,352	36,638,527	30.4
Water system:				
Operation and maintenance	9,188,895	7,625,553	1,563,342	20.5
Administrative and general	3,883,038	3,574,246	308,792	8.6
Total water system expenses	13,071,933	11,199,799	1,872,134	16.7
Wastewater system:				
Operation and maintenance	11,963,625	10,534,687	1,428,938	13.6
Administrative and general	4,065,233	3,715,530	349,703	9.4
Total wastewater system expenses	16,028,858	14,250,217	1,778,641	12.5
Gas system:				
Fuel expense - purchased gas	12,289,735	6,867,025	5,422,710	79.0
Operation and maintenance	1,874,168	1,986,181	(112,013)	(5.6)
Administrative and general	1,956,296	1,762,975	193,321	11.0
Total gas system expenses	16,120,199	10,616,181	5,504,018	51.8
Telecommunications system:				
Operation and maintenance	6,390,443	6,603,857	(213,414)	(3.2)
Administrative and general	904,111	710,841	193,270	27.2
Total telecommunications system expenses	7,294,554	7,314,698	(20,144)	(0.3)
Total expenses	209,826,423	164,053,247	45,773,176	111.1
Net revenues in accordance with bond resolution				
Total electric system	92,732,953	84,674,869	8,058,084	9.5
Total water system	17,079,376	16,555,408	523,968	3.2
Total wastewater system	26,016,953	20,683,837	5,333,116	25.8
Total gas system	10,758,986	10,252,843	506,143	4.9
Total telecommunications system	1,879,417	2,679,008	(799,591)	(29.8)
Total net revenues in accordance with bond resolution	148,467,685	134,845,965	13,621,720	10.1
Less transfer to other funds:				
Debt service	75,332,443	68,695,544	6,636,899	9.7
UPIF contributions	34,321,919	32,756,824	1,565,095	4.8
Transfer to City of Gainesville General Fund	27,212,250	28,713,750	(1,501,500)	(5.2)
Transfer to debt defeasance	3,503,396	3,508,281	(4,885)	(0.1)
Net impact to rate stabilization - addition (reduction)	\$ 8,097,677	\$ 1,171,566	\$ 6,926,111	591.2

Gainesville Regional Utilities
Electric Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2022 and 2021

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	\$ 59,077,078	\$ 54,510,926	\$ 4,566,152	8.4
Non-residential	69,256,498	63,303,618	5,952,880	9.4
Fuel adjustment	86,409,605	58,188,454	28,221,151	48.5
Sales for resale	6,872,373	3,960,962	2,911,411	73.5
Utility surcharge	3,355,978	3,154,914	201,064	6.4
Other electric sales	15,692,394	15,086,247	606,147	4.0
Total sales of electricity	<u>240,663,926</u>	<u>198,205,121</u>	<u>42,458,805</u>	<u>21.4</u>
Transfer from (to) rate stabilization	1,142,751	(2,506,535)	3,649,286	145.6
Other revenue	4,881,436	4,128,214	753,222	18.2
Other income	1,294,686	3,425,157	(2,130,471)	(62.2)
Build America Bonds	2,061,033	2,095,264	(34,231)	(1.6)
Total revenues	<u>250,043,832</u>	<u>205,347,221</u>	<u>44,696,611</u>	<u>21.8</u>
Operation, maintenance, and administrative expenses:				
Fuel expenses	86,409,605	58,188,454	28,221,151	48.5
Power production	40,507,550	31,416,253	9,091,297	28.9
Transmission and distribution	12,481,108	14,698,067	(2,216,959)	(15.1)
Administrative and general	17,912,616	16,369,578	1,543,038	9.4
Total operation, maintenance, and administrative expenses	<u>157,310,879</u>	<u>120,672,352</u>	<u>36,638,527</u>	<u>30.4</u>
Total net revenues in accordance with bond resolution	<u>92,732,953</u>	<u>84,674,869</u>	<u>8,058,084</u>	<u>9.5</u>
Less transfer to other funds:				
Debt service	54,169,699	51,097,191	3,072,508	6.0
UPIF contributions	18,578,018	17,537,599	1,040,419	5.9
Transfer to City of Gainesville General Fund	17,541,277	16,811,901	729,376	4.3
Transfer to debt defeasance	2,783,983	2,680,453	103,530	3.9
Net impact to rate stabilization - addition (reduction)	<u>\$ (340,024)</u>	<u>\$ (3,452,275)</u>	<u>\$ 3,112,251</u>	<u>90.2</u>

Gainesville Regional Utilities
Water Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2022 and 2021

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	\$ 16,547,195	\$ 16,276,693	\$ 270,502	1.7
Non-residential	8,333,370	7,891,086	442,284	5.6
Utility surcharge	2,045,056	1,958,964	86,092	4.4
Total sales of water	<u>26,925,621</u>	<u>26,126,743</u>	<u>798,878</u>	<u>3.1</u>
Transfer from (to) rate stabilization	(510,731)	(819,183)	308,452	37.7
Other revenue	3,011,953	1,733,784	1,278,169	73.7
Other income	135,982	117,999	17,983	15.2
Build America Bonds	588,484	595,864	(7,380)	(1.2)
Total revenues	<u>30,151,309</u>	<u>27,755,207</u>	<u>2,396,102</u>	<u>8.6</u>
Operation, maintenance, and administrative expenses:				
Transmission and distribution	2,343,827	2,358,812	(14,985)	(0.6)
Treatment	6,845,068	5,266,741	1,578,327	30.0
Administrative and general	3,883,038	3,574,246	308,792	8.6
Total operation, maintenance, and administrative expenses	<u>13,071,933</u>	<u>11,199,799</u>	<u>1,872,134</u>	<u>16.7</u>
Total net revenues in accordance with bond resolution	<u>17,079,376</u>	<u>16,555,408</u>	<u>523,968</u>	<u>3.2</u>
Less transfer to other funds:				
Debt service	6,594,779	5,671,182	923,597	16.3
UPIF contributions	5,074,219	4,886,512	187,707	3.8
Transfer to City of Gainesville General Fund	3,319,663	4,017,053	(697,390)	(17.4)
Transfer to debt defeasance	239,936	285,104	(45,168)	(15.8)
Net impact to rate stabilization - addition (reduction)	<u>\$ 1,850,779</u>	<u>\$ 1,695,557</u>	<u>\$ 155,222</u>	<u>9.2</u>

Gainesville Regional Utilities
Wastewater Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2022 and 2021

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	\$ 22,604,549	\$ 20,574,938	\$ 2,029,611	9.9
Non-residential	8,915,747	7,516,563	1,399,184	18.6
Utility surcharge	2,518,591	2,233,058	285,533	12.8
Total sales of services	<u>34,038,887</u>	<u>30,324,559</u>	<u>3,714,328</u>	<u>12.2</u>
Transfer from (to) rate stabilization	1,348,088	1,510,583	(162,495)	(10.8)
Other revenue	5,867,683	2,157,648	3,710,035	171.9
Other income	111,114	256,151	(145,037)	(56.6)
Build America Bonds	680,039	685,113	(5,074)	(0.7)
Total revenues	<u>42,045,811</u>	<u>34,934,054</u>	<u>7,111,757</u>	<u>20.4</u>
Operation, maintenance, and administrative expenses:				
Collection	4,330,308	3,856,721	473,587	12.3
Treatment	7,633,317	6,677,966	955,351	14.3
Administrative and general	4,065,233	3,715,530	349,703	9.4
Total operation, maintenance, and administrative expenses	<u>16,028,858</u>	<u>14,250,217</u>	<u>1,778,641</u>	<u>12.5</u>
Total net revenues in accordance with bond resolution	<u>26,016,953</u>	<u>20,683,837</u>	<u>5,333,116</u>	<u>25.8</u>
Less transfer to other funds:				
Debt service	9,474,935	7,155,693	2,319,242	32.4
UPIF contributions	6,235,697	6,030,457	205,240	3.4
Transfer to City of Gainesville General Fund	4,010,101	5,145,504	(1,135,403)	(22.1)
Transfer to debt defeasance	271,930	332,149	(60,219)	(18.1)
Net impact to rate stabilization - addition (reduction)	<u>\$ 6,024,290</u>	<u>\$ 2,020,034</u>	<u>\$ 4,004,256</u>	<u>198.2</u>

Gainesville Regional Utilities
Gas Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2022 and 2021

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	\$ 6,903,595	\$ 7,135,576	\$ (231,981)	(3.3)
Non-residential	4,403,229	4,457,777	(54,548)	(1.2)
Purchased gas adjustment	12,289,735	6,867,025	5,422,710	79.0
Utility surcharge	476,041	480,337	(4,296)	(0.9)
Other gas sales	1,102,095	1,116,690	(14,595)	(1.3)
Total sales of gas	<u>25,174,695</u>	<u>20,057,405</u>	<u>5,117,290</u>	<u>25.5</u>
Transfer from (to) rate stabilization	815,474	(112,140)	927,614	827.2
Other revenue	377,389	378,096	(707)	(0.2)
Other income	79,391	106,417	(27,026)	(25.4)
Build America Bonds	432,236	439,246	(7,010)	(1.6)
Total revenues	<u>26,879,185</u>	<u>20,869,024</u>	<u>6,010,161</u>	<u>28.8</u>
Operation, maintenance, and administrative expenses:				
Fuel expense - purchased gas	12,289,735	6,867,025	5,422,710	79.0
Operation and maintenance	1,874,168	1,986,181	(112,013)	(5.6)
Administrative and general	1,956,296	1,762,975	193,321	11.0
Total operation, maintenance, and administrative expenses	<u>16,120,199</u>	<u>10,616,181</u>	<u>5,504,018</u>	<u>51.8</u>
Total net revenues in accordance with bond resolution	<u>10,758,986</u>	<u>10,252,843</u>	<u>506,143</u>	<u>4.9</u>
Less transfer to other funds:				
Debt service	3,580,770	3,338,397	242,373	7.3
UPIF contributions	3,571,816	3,494,392	77,424	2.2
Transfer to City of Gainesville General Fund	1,349,848	1,849,166	(499,318)	(27.0)
Transfer to debt defeasance	122,598	111,562	11,036	9.9
Net impact to rate stabilization - addition (reduction)	<u>\$ 2,133,954</u>	<u>\$ 1,459,326</u>	<u>\$ 674,628</u>	<u>46.2</u>

Gainesville Regional Utilities
Telecommunications System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2022 and 2021

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Telecommunications	\$ 5,326,456	\$ 5,597,339	\$ (270,883)	(4.8)
Trunking radio	2,105,549	1,974,420	131,129	6.6
Tower leasing	1,646,868	1,097,804	549,064	50.0
Total sales of services	<u>9,078,873</u>	<u>8,669,563</u>	<u>409,310</u>	<u>4.7</u>
Transfer from (to) rate stabilization	-	1,270,223	(1,270,223)	(100.0)
Other revenue	52,665	21,274	31,391	147.6
Other income	42,433	32,646	9,787	30.0
Total revenues	<u>9,173,971</u>	<u>9,993,706</u>	<u>(819,735)</u>	<u>(8.2)</u>
Operation, maintenance, and administrative expenses:				
Operation and maintenance	6,390,443	6,603,857	(213,414)	(3.2)
Administrative and general	904,111	710,841	193,270	27.2
Total operation, maintenance, and administrative expenses	<u>7,294,554</u>	<u>7,314,698</u>	<u>(20,144)</u>	<u>(0.3)</u>
Total net revenues in accordance with bond resolution	<u>1,879,417</u>	<u>2,679,008</u>	<u>(799,591)</u>	<u>(29.8)</u>
Less transfer to other funds:				
Debt service	1,512,260	1,433,081	79,179	5.5
UPIF contributions	862,169	807,864	54,305	6.7
Transfer to City of Gainesville General Fund	991,361	890,126	101,235	11.4
Transfer to debt defeasance	84,949	99,013	(14,064)	(14.2)
Net impact to rate stabilization - addition (reduction)	<u>\$ (1,571,322)</u>	<u>\$ (551,076)</u>	<u>\$ (1,020,246)</u>	<u>(185.1)</u>

Supplementary Data

Gainesville Regional Utilities
Fuel Adjustment Levelization
For the Period Ended June 30, 2022

	Actual
Fuel Revenues	\$ 80,060,497
Fuel Expenses	86,409,605
To (From) Fuel Adjustment Levelization	\$ (6,349,108)
Fuel Adjustment Beginning Balance	\$ (11,277,370)
To (From) Fuel Adjustment Levelization	(6,349,108)
Fuel Adjustment Ending Balance	\$ (17,626,479)

Gainesville Regional Utilities
Purchased Gas Adjustment (PGA) Levelization
For the Period Ended June 30, 2022

	Actual
Purchased Gas Revenues	\$ 10,910,776
Purchased Gas Expenses	12,289,735
To (From) PGA Levelization	\$ (1,378,959)
PGA Beginning Balance	\$ (1,398,722)
To (From) PGA Levelization	(1,378,959)
PGA Ending Balance	\$ (2,777,681)