

# **Gainesville Regional Utilities**

## **Financial Statements - Unaudited**

**For the Period Ended December 31, 2022**



**Gainesville Regional Utilities  
Financial Statements - Unaudited  
For the Period Ended December 31, 2022**

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# **Overview and Basis of Accounting**

# **Gainesville Regional Utilities Financial Statements - Unaudited For the Period Ended December 31, 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 December 31, 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**  
**December 31, 2022 and 2021**

	December 31, 2022	December 31, 2021	Change (\$)	Change (%)
<b>Assets</b>				
Current assets:				
Cash and investments	\$ 15,374,829	\$ 15,774,455	\$ (399,626)	(2.5%)
Accounts receivable, net of allowance for uncollectible accounts of \$282,541 and \$739,339 respectively	61,542,814	51,873,175	9,669,639	18.6%
Inventories:				
Fuel	12,961,996	6,594,130	6,367,866	96.6%
Materials and supplies	31,603,307	17,897,548	13,705,759	76.6%
Fuel and purchased gas adjustment	20,723,609	16,951,494	3,772,115	22%
Other assets and regulatory assets	4,025,891	2,964,479	1,061,412	35.8%
Total current assets	146,232,446	112,055,281	34,177,165	30.5%
Restricted and internally designated assets:				
Utility deposits - cash and investments	8,956,640	8,474,641	481,999	5.7%
Debt service - cash and investments	25,267,772	22,378,986	2,888,786	12.9%
Fuel hedges - cash and investments	11,063,812	888,402	10,175,410	14.5%
Rate stabilization - cash and investments	57,376,968	70,134,266	(12,757,298)	(11.3%)
Construction fund - cash and investments	59,736,809	113,220,576	(53,483,767)	(74.5%)
Utility plant improvement fund - cash and investments	53,616,103	71,792,461	(18,176,358)	-
Total restricted and internally designated assets	216,018,104	286,889,332	(70,871,228)	(24.7%)
Noncurrent assets:				
Net costs recoverable in future years - regulatory assets	48,394,227	43,363,598	5,030,629	11.6%
Long-term lease receivable	20,180,491	-	20,180,491	-
Unamortized debt issuance costs - regulatory assets	9,444,091	9,905,123	(461,032)	(4.7%)
SWAP termination fees - noncurrent regulatory asset	29,344,155	-	29,344,155	-
Fair value of derivative instruments - asset	51,308,248	-	51,308,248	-
Investment in The Energy Authority	8,634,685	4,183,544	4,451,141	106.4%
Pollution remediation - regulatory asset	6,145,038	7,257,018	(1,111,980)	(15.3%)
Other noncurrent assets and regulatory assets	12,034,313	8,471,095	3,563,218	42.1%
Pension regulatory asset	107,881,195	98,958,923	8,922,272	9.0%
Total noncurrent assets	293,366,443	172,139,301	121,227,142	70.4%
Capital assets:				
Utility plant in service	3,067,093,949	2,954,498,603	112,595,346	3.8%
Right-of-use Asset	758,738	-	758,738	(0.1%)
Less: accumulated depreciation and amortization	(1,337,353,803)	(1,245,778,391)	(91,575,412)	-
	1,730,498,884	1,708,720,212	21,778,672	1.3%
Construction in progress	110,840,364	144,453,774	(33,613,410)	(23.3%)
Net capital assets	1,841,339,248	1,853,173,986	(11,834,738)	(0.6%)
Total assets	2,496,956,241	2,424,257,900	72,698,341	3.0%
Deferred outflows of resources:				
Unamortized loss on refunding of bonds	7,583,407	9,562,448	(1,979,041)	(20.7%)
Accumulated decrease in fair value of hedging derivative	9,405,955	59,625,486	(50,219,531)	(84.2%)
General Employees' Pension plan costs	77,722,261	21,226,376	56,495,885	266.2%
Other post-employment benefits plan	7,207,036	4,391,772	2,815,264	64.1%
Total deferred outflows of resources	101,918,659	94,806,082	7,112,577	7.5%
<b>Total assets and deferred outflows of resources</b>	<b>\$ 2,598,874,900</b>	<b>\$ 2,519,063,982</b>	<b>\$ 79,810,918</b>	<b>3.2%</b>

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**Gainesville Regional Utilities**  
**Statements of Net Position - Unaudited (concluded)**  
**December 31, 2022 and 2021**

	December 31, 2022	December 31, 2021	Change (\$)	Change (%)
<b>Liabilities</b>				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 12,710,914	\$ 13,897,950	\$ (1,187,036)	(8.5%)
Fuels payable	11,237,057	5,378,409	5,858,648	109%
Due to other funds	5,172,449	4,317,512	854,937	20%
Other liabilities and regulatory liabilities	905,217	534,478	370,739	69.4%
Total current liabilities	30,025,637	24,128,349	5,897,288	24.4%
Payable from restricted assets:				
Utility deposits	8,951,390	8,469,435	481,955	5.7%
Accounts payable and accrued liabilities	1,743,326	1,157,293	586,033	50.6%
Utility system revenue bonds - current	35,680,000	29,260,000	6,420,000	21.9%
Accrued interest payable	15,789,805	16,802,545	(1,012,740)	(6.0%)
Other liabilities and regulatory liabilities	16,983	13,015	3,968	30.5%
Total payable from restricted assets	62,181,504	55,702,288	6,479,216	11.6%
Long-term debt:				
Utility system revenue bonds	1,662,225,000	1,671,510,000	(9,285,000)	(0.6%)
Long-term liability - leases	357,168	-	357,168	-
Unamortized bond premium/discount	98,972,925	110,350,733	(11,377,808)	(10.3%)
Fair value of derivative instruments	-	60,596,327	(60,596,327)	(100.0%)
Total long-term debt	1,761,555,093	1,842,457,060	(80,901,967)	(4.4%)
Noncurrent liabilities:				
Reserve for insurance claims	1,960,000	3,337,000	(1,377,000)	(41.3%)
Reserve for environmental liability	708,000	708,000	-	0.0%
Net pension liability	80,909,530	14,566,344	66,343,186	455.5%
Net other post-employment benefits liability	4,193,523	854,405	3,339,118	390.8%
Due to other funds	102,159,843	102,186,631	(26,788)	(0.0%)
Other noncurrent liabilities and regulatory liabilities	2,450,159	2,148,587	301,572	14.0%
Total noncurrent liabilities	192,381,055	123,800,967	68,580,088	55.4%
Total liabilities	2,046,143,289	2,046,088,664	54,625	0.0%
Deferred inflows of resources:				
Rate stabilization	56,094,750	66,879,121	(10,784,371)	(16.1%)
Accumulated increase in fair value of hedging derivative	51,560,486	-	51,560,486	-
General Employees' Pension plan costs	45,300	1,196,323	(1,151,023)	(96.2%)
Other post-employment benefits plan	5,755,669	6,633,675	(878,006)	(13.2%)
Other deferred inflows	26,039,007	-	26,039,007	-
Total deferred inflows of resources	139,495,212	74,709,119	64,786,093	86.7%
Net position				
Net investment in capital assets	115,826,083	170,931,657	(55,105,574)	(32.2%)
Restricted	64,364,555	80,620,583	(16,256,028)	(20.2%)
Unrestricted	233,045,761	146,713,959	86,331,802	58.8%
Total net position	413,236,399	398,266,199	14,970,200	3.8%
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 2,598,874,900</b>	<b>\$ 2,519,063,982</b>	<b>\$ 79,810,918</b>	<b>3.2%</b>

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**Gainesville Regional Utilities**  
**Statements of Revenues, Expenses, and Changes in Net Position - Unaudited**  
**For the Periods Ended December 31, 2022 and 2021**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Operating revenues:		
Sales and service charges	\$ 114,279,928	\$ 105,764,577
Transfer from (to) rate stabilization	(2,558,920)	931,861
Amounts to be recovered from future revenue	1,093,529	1,370,972
Other operating revenue	3,501,740	2,966,395
Total operating revenues	<u>116,316,277</u>	<u>111,033,805</u>
Operating expenses:		
Operation and maintenance	61,090,306	54,158,318
Administrative and general	12,847,476	9,959,007
Depreciation and amortization	25,782,940	24,723,842
Total operating expenses	<u>99,720,722</u>	<u>88,841,167</u>
Operating income	<u>16,595,555</u>	<u>22,192,638</u>
Non-operating income (expense):		
Interest income	667,151	274,723
Interest expense, net of AFUDC (2021 Only)	(15,214,304)	(16,586,160)
Other interest related income, BABs	1,228,107	1,261,155
Other income (expense)	(1,416,511)	(1,315,525)
Total non-operating income (expense)	<u>(14,735,557)</u>	<u>(16,365,807)</u>
Income before capital contributions and transfer	<u>1,859,998</u>	<u>5,826,831</u>
Capital contributions:		
Contributions from third parties	150,283	1,733,305
Reduction of plant costs recovered through contributions	-	(4,339)
Net capital contributions	<u>150,283</u>	<u>1,728,966</u>
General fund transfer		
Transfer to City of Gainesville General Fund	(8,570,750)	(9,070,750)
Transfer from City of Gainesville General Fund for county streetlight	200,000	-
Total general fund transfer	<u>(8,370,750)</u>	<u>(9,070,750)</u>
Change in net position	(6,360,469)	(1,514,953)
Net position - beginning of year	419,596,868	399,781,152
Net position - end of period	<u>\$ 413,236,399</u>	<u>\$ 398,266,199</u>

**Gainesville Regional Utilities**  
**Combined Utility Systems**  
**Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Periods Ended December 31, 2022 and 2021**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
<b>Revenues:</b>				
Electric system:				
Sales of electricity	\$ 50,567,985	\$ 47,537,649	\$ 3,030,336	6.4
Fuel adjustment	31,856,524	24,058,992	7,797,532	32.4
Sales for resale	-	2,983,172	(2,983,172)	(100.0)
Transfer from (to) rate stabilization	(939,127)	380,917	(1,320,044)	(346.5)
Other revenue	831,401	1,198,034	(366,633)	(30.6)
Other income	193,455	200,455	(7,000)	(3.5)
Build America Bonds	671,261	690,915	(19,654)	(2.8)
<b>Total electric system revenues</b>	<b>83,181,499</b>	<b>77,050,134</b>	<b>6,131,365</b>	<b>8.0</b>
Water system:				
Sales of water	8,462,297	8,843,578	(381,281)	(4.3)
Transfer from (to) rate stabilization	(760,383)	(170,244)	(590,139)	(346.6)
Other revenue	802,950	494,266	308,684	62.5
Other income	70,376	30,625	39,751	129.8
Build America Bonds	192,461	197,303	(4,842)	(2.5)
<b>Total water system revenues</b>	<b>8,767,701</b>	<b>9,395,528</b>	<b>(627,827)</b>	<b>(6.7)</b>
Wastewater system:				
Sales of services	11,941,596	11,370,444	571,152	5.0
Transfer from (to) rate stabilization	(859,410)	449,363	(1,308,773)	(291.3)
Other revenue	1,492,522	806,937	685,585	85.0
Other income	66,681	26,082	40,599	155.7
Build America Bonds	223,553	228,038	(4,485)	(2.0)
<b>Total wastewater system revenues</b>	<b>12,864,942</b>	<b>12,880,864</b>	<b>(15,922)</b>	<b>(0.1)</b>
Gas system:				
Sales of gas	3,923,974	4,481,234	(557,260)	(12.4)
Purchased gas adjustment	5,217,646	4,121,208	1,096,438	26.6
Transfer from (to) rate stabilization	-	271,825	(271,825)	(100.0)
Other revenue	100,445	117,657	(17,212)	(14.6)
Other income	52,020	17,084	34,936	204.5
Build America Bonds	140,832	144,899	(4,067)	(2.8)
<b>Total gas system revenues</b>	<b>9,434,917</b>	<b>9,153,907</b>	<b>281,010</b>	<b>3.1</b>
Telecommunications system:				
Sales of services	2,309,905	2,368,300	(58,395)	(2.5)
Other revenue	8,693	17,420	(8,727)	(50.1)
Other income	22,341	8,870	13,471	151.9
<b>Total telecommunications system revenues</b>	<b>2,340,939</b>	<b>2,394,590</b>	<b>(53,651)</b>	<b>(2.2)</b>
<b>Total revenues</b>	<b>116,589,998</b>	<b>110,875,023</b>	<b>5,714,975</b>	<b>5.2</b>

**Gainesville Regional Utilities**  
**Combined Utility Systems**  
**Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Periods Ended December 31, 2022 and 2021**  
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	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
<b>Operation, maintenance, and administrative expenses:</b>				
Electric system:				
Fuel expenses	31,856,524	24,058,992	7,797,532	32.4
Operation and maintenance	14,029,965	17,077,075	(3,047,110)	(17.8)
Administrative and general	8,908,828	7,856,318	1,052,510	13.4
<b>Total electric system expenses</b>	<b>54,795,317</b>	<b>48,992,385</b>	<b>5,802,932</b>	<b>11.8</b>
Water system:				
Operation and maintenance	2,975,134	2,586,182	388,952	15.0
Administrative and general	1,644,155	1,209,694	434,461	35.9
<b>Total water system expenses</b>	<b>4,619,289</b>	<b>3,795,876</b>	<b>823,413</b>	<b>21.7</b>
Wastewater system:				
Operation and maintenance	4,300,881	3,595,037	705,844	19.6
Administrative and general	1,746,046	1,210,364	535,682	44.3
<b>Total wastewater system expenses</b>	<b>6,046,927</b>	<b>4,805,401</b>	<b>1,241,526</b>	<b>25.8</b>
Gas system:				
Fuel expense - purchased gas	5,217,646	4,121,208	1,096,438	26.6
Operation and maintenance	583,971	539,390	44,581	8.3
Administrative and general	1,090,948	575,192	515,756	89.7
<b>Total gas system expenses</b>	<b>6,892,565</b>	<b>5,235,790</b>	<b>1,656,775</b>	<b>31.6</b>
Telecommunications system:				
Operation and maintenance	1,855,306	1,818,518	36,788	2.0
Administrative and general	236,461	215,797	20,664	9.6
<b>Total telecommunications system expenses</b>	<b>2,091,767</b>	<b>2,034,315</b>	<b>57,452</b>	<b>2.8</b>
<b>Total expenses</b>	<b>74,445,865</b>	<b>64,863,767</b>	<b>9,582,098</b>	<b>93.8</b>
<b>Net revenues in accordance with bond resolution</b>				
Total electric system	28,386,182	28,057,749	328,433	1.2
Total water system	4,148,412	5,599,652	(1,451,240)	(25.9)
Total wastewater system	6,818,015	8,075,463	(1,257,448)	(15.6)
Total gas system	2,542,352	3,918,117	(1,375,765)	(35.1)
Total telecommunications system	249,172	360,275	(111,103)	(30.8)
<b>Total net revenues in accordance with bond resolution</b>	<b>42,144,133</b>	<b>46,011,256</b>	<b>(3,867,123)</b>	<b>(8.4)</b>
<b>Less transfer to other funds:</b>				
Debt service	25,750,854	25,784,232	(33,378)	(0.1)
UPIF contributions	11,551,553	11,440,640	110,913	1.0
Transfer to City of Gainesville General Fund	8,570,750	9,070,750	(500,000)	(5.5)
Transfer from City of Gainesville General Fund for county streetlights	(200,000)	-	(200,000)	-
Transfer to debt defeasance	1,168,397	1,167,799	598	0.1
<b>Net impact to rate stabilization - addition (reduction)</b>	<b>\$ (4,697,421)</b>	<b>\$ (1,452,165)</b>	<b>\$ (3,245,256)</b>	<b>(223.5)</b>

**Gainesville Regional Utilities**  
**Electric Utility System**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Periods Ended December 31, 2022 and 2021**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
<b>Revenues:</b>				
Residential	\$ 19,066,642	\$ 19,025,492	\$ 41,150	0.2
Non-residential	23,445,284	22,255,373	1,189,911	5.3
Fuel adjustment	31,856,524	24,058,992	7,797,532	32.4
Sales for resale	-	2,983,172	(2,983,172)	(100.0)
Utility surcharge	1,010,601	1,073,520	(62,919)	(5.9)
Other electric sales	7,045,458	5,183,264	1,862,194	35.9
<b>Total sales of electricity</b>	<b>82,424,509</b>	<b>74,579,813</b>	<b>7,844,696</b>	<b>10.5</b>
Transfer from (to) rate stabilization	(939,127)	380,917	(1,320,044)	(346.5)
Other revenue	831,401	1,198,034	(366,633)	(30.6)
Other income	193,455	200,455	(7,000)	(3.5)
Build America Bonds	671,261	690,915	(19,654)	(2.8)
<b>Total revenues</b>	<b>83,181,499</b>	<b>77,050,134</b>	<b>6,131,365</b>	<b>8.0</b>
<b>Operation, maintenance, and administrative expenses:</b>				
Fuel expenses	31,856,524	24,058,992	7,797,532	32.4
Power production	9,996,515	13,319,423	(3,322,908)	(24.9)
Transmission and distribution	4,033,450	3,757,652	275,798	7.3
Administrative and general	8,908,828	7,856,318	1,052,510	13.4
<b>Total operation, maintenance, and administrative expenses</b>	<b>54,795,317</b>	<b>48,992,385</b>	<b>5,802,932</b>	<b>11.8</b>
<b>Total net revenues in accordance with bond resolution</b>	<b>28,386,182</b>	<b>28,057,749</b>	<b>328,433</b>	<b>1.2</b>
<b>Less transfer to other funds:</b>				
Debt service	18,428,935	18,804,853	(375,918)	(2.0)
UPIF contributions	6,837,335	6,192,673	644,662	10.4
Transfer to City of Gainesville General Fund	5,577,844	5,847,092	(269,248)	(4.6)
Transfer from City of Gainesville General Fund for county streetlights	(200,000)	-	(200,000)	-
Transfer to debt defeasance	928,423	927,994	429	0.0
<b>Net impact to rate stabilization - addition (reduction)</b>	<b>\$ (3,186,355)</b>	<b>\$ (3,714,863)</b>	<b>\$ 528,508</b>	<b>14.2</b>

**Gainesville Regional Utilities**  
**Water Utility System**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Periods Ended December 31, 2022 and 2021**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
<b>Revenues:</b>				
Residential	\$ 5,114,714	\$ 5,495,401	\$ (380,687)	(6.9)
Non-residential	2,788,977	2,682,771	106,206	4.0
Utility surcharge	558,606	665,406	(106,800)	(16.1)
<b>Total sales of water</b>	<b>8,462,297</b>	<b>8,843,578</b>	<b>(381,281)</b>	<b>(4.3)</b>
Transfer from (to) rate stabilization	(760,383)	(170,244)	(590,139)	(346.6)
Other revenue	802,950	494,266	308,684	62.5
Other income	70,376	30,625	39,751	129.8
Build America Bonds	192,461	197,303	(4,842)	(2.5)
<b>Total revenues</b>	<b>8,767,701</b>	<b>9,395,528</b>	<b>(627,827)</b>	<b>(6.7)</b>
<b>Operation, maintenance, and administrative expenses:</b>				
Transmission and distribution	678,944	675,606	3,338	0.5
Treatment	2,296,190	1,910,576	385,614	20.2
Administrative and general	1,644,155	1,209,694	434,461	35.9
<b>Total operation, maintenance, and administrative expenses</b>	<b>4,619,289</b>	<b>3,795,876</b>	<b>823,413</b>	<b>21.7</b>
<b>Total net revenues in accordance with bond resolution</b>	<b>4,148,412</b>	<b>5,599,652</b>	<b>(1,451,240)</b>	<b>(25.9)</b>
<b>Less transfer to other funds:</b>				
Debt service	2,289,826	2,170,424	119,402	5.5
UPIF contributions	1,592,829	1,691,406	(98,577)	(5.8)
Transfer to City of Gainesville General Fund	457,678	1,106,554	(648,876)	(58.6)
Transfer to debt defeasance	80,052	79,979	73	0.1
<b>Net impact to rate stabilization - addition (reduction)</b>	<b>\$ (271,973)</b>	<b>\$ 551,289</b>	<b>\$ (823,262)</b>	<b>(149.3)</b>

**Gainesville Regional Utilities**  
**Wastewater Utility System**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Periods Ended December 31, 2022 and 2021**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
<b>Revenues:</b>				
Residential	\$ 7,971,714	\$ 7,682,761	\$ 288,953	3.8
Non-residential	3,195,948	2,845,283	350,665	12.3
Utility surcharge	773,934	842,400	(68,466)	(8.1)
<b>Total sales of services</b>	<u>11,941,596</u>	<u>11,370,444</u>	<u>571,152</u>	<u>5.0</u>
Transfer from (to) rate stabilization	(859,410)	449,363	(1,308,773)	(291.3)
Other revenue	1,492,522	806,937	685,585	85.0
Other income	66,681	26,082	40,599	155.7
Build America Bonds	223,553	228,038	(4,485)	(2.0)
<b>Total revenues</b>	<u>12,864,942</u>	<u>12,880,864</u>	<u>(15,922)</u>	<u>(0.1)</u>
<b>Operation, maintenance, and administrative expenses:</b>				
Collection	1,670,110	1,323,645	346,465	26.2
Treatment	2,630,771	2,271,392	359,379	15.8
Administrative and general	1,746,046	1,210,364	535,682	44.3
<b>Total operation, maintenance, and administrative expenses</b>	<u>6,046,927</u>	<u>4,805,401</u>	<u>1,241,526</u>	<u>25.8</u>
<b>Total net revenues in accordance with bond resolution</b>	<u>6,818,015</u>	<u>8,075,463</u>	<u>(1,257,448)</u>	<u>(15.6)</u>
<b>Less transfer to other funds:</b>				
Debt service	3,201,369	3,130,170	71,199	2.3
UPIF contributions	1,906,290	2,078,566	(172,276)	(8.3)
Transfer to City of Gainesville General Fund	1,011,349	1,336,701	(325,352)	(24.3)
Transfer to debt defeasance	90,700	90,643	57	0.1
<b>Net impact to rate stabilization - addition (reduction)</b>	<u>\$ 608,307</u>	<u>\$ 1,439,383</u>	<u>\$ (831,076)</u>	<u>(57.7)</u>

**Gainesville Regional Utilities**  
**Gas Utility System**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Periods Ended December 31, 2022 and 2021**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
<b>Revenues:</b>				
Residential	\$ 2,058,684	\$ 2,501,078	\$ (442,394)	(17.7)
Non-residential	1,430,492	1,433,168	(2,676)	(0.2)
Purchased gas adjustment	5,217,646	4,121,208	1,096,438	26.6
Utility surcharge	131,220	167,306	(36,086)	(21.6)
Other gas sales	303,578	379,682	(76,104)	(20.0)
<b>Total sales of gas</b>	<u><b>9,141,620</b></u>	<u><b>8,602,442</b></u>	<u><b>539,178</b></u>	<u><b>6.3</b></u>
Transfer from (to) rate stabilization	-	271,825	(271,825)	(100.0)
Other revenue	100,445	117,657	(17,212)	(14.6)
Other income	52,020	17,084	34,936	204.5
Build America Bonds	140,832	144,899	(4,067)	(2.8)
<b>Total revenues</b>	<u><b>9,434,917</b></u>	<u><b>9,153,907</b></u>	<u><b>281,010</b></u>	<u><b>3.1</b></u>
<b>Operation, maintenance, and administrative expenses:</b>				
Fuel expense - purchased gas	5,217,646	4,121,208	1,096,438	26.6
Operation and maintenance	583,971	539,390	44,581	8.3
Administrative and general	1,090,948	575,192	515,756	89.7
<b>Total operation, maintenance, and administrative expenses</b>	<u><b>6,892,565</b></u>	<u><b>5,235,790</b></u>	<u><b>1,656,775</b></u>	<u><b>31.6</b></u>
<b>Total net revenues in accordance with bond resolution</b>	<u><b>2,542,352</b></u>	<u><b>3,918,117</b></u>	<u><b>(1,375,765)</b></u>	<u><b>(35.1)</b></u>
<b>Less transfer to other funds:</b>				
Debt service	1,237,734	1,185,175	52,559	4.4
UPIF contributions	875,920	1,190,605	(314,685)	(26.4)
Transfer to City of Gainesville General Fund	1,210,190	449,949	760,241	169.0
Transfer to debt defeasance	40,887	40,866	21	0.1
<b>Net impact to rate stabilization - addition (reduction)</b>	<u><b>\$ (822,379)</b></u>	<u><b>\$ 1,051,522</b></u>	<u><b>\$ (1,873,901)</b></u>	<u><b>(178.2)</b></u>

**Gainesville Regional Utilities**  
**Telecommunications System**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Periods Ended December 31, 2022 and 2021**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>Change (\$)</u>	<u>Change (%)</u>
<b>Revenues:</b>				
Telecommunications	\$ 1,777,422	\$ 1,770,015	\$ 7,407	0.4
Trunking radio	-	-	-	-
Tower leasing	532,483	598,285	(65,802)	(11.0)
<b>Total sales of services</b>	<u>2,309,905</u>	<u>2,368,300</u>	<u>(58,395)</u>	<u>(2.5)</u>
Other revenue	8,693	17,420	(8,727)	(50.1)
Other income	22,341	8,870	13,471	151.9
<b>Total revenues</b>	<u>2,340,939</u>	<u>2,394,590</u>	<u>(53,651)</u>	<u>(2.2)</u>
<b>Operation, maintenance, and administrative expenses:</b>				
Operation and maintenance	1,855,306	1,818,518	36,788	2.0
Administrative and general	236,461	215,797	20,664	9.6
<b>Total operation, maintenance, and administrative expenses</b>	<u>2,091,767</u>	<u>2,034,315</u>	<u>57,452</u>	<u>2.8</u>
<b>Total net revenues in accordance with bond resolution</b>	<u>249,172</u>	<u>360,275</u>	<u>(111,103)</u>	<u>(30.8)</u>
<b>Less transfer to other funds:</b>				
Debt service	592,990	493,610	99,380	20.1
UPIF contributions	339,179	287,390	51,789	18.0
Transfer to City of Gainesville General Fund	313,689	330,454	(16,765)	(5.1)
Transfer to debt defeasance	28,335	28,317	18	0.1
<b>Net impact to rate stabilization - addition (reduction)</b>	<u>\$ (1,025,021)</u>	<u>\$ (779,496)</u>	<u>\$ (245,525)</u>	<u>(31.5)</u>



## **Supplementary Data**

**Gainesville Regional Utilities**  
**Fuel Adjustment Levelization**  
**For the Period Ended December 31, 2022**

	<u>Actual</u>
Fuel Revenues	\$ 35,647,392
Fuel Expenses	31,856,524
<b>To (From) Fuel Adjustment Levelization</b>	<b><u>\$ 3,790,868</u></b>
Fuel Adjustment Beginning Balance	\$ (21,118,305)
To (From) Fuel Adjustment Levelization	3,790,868
<b>Fuel Adjustment Ending Balance</b>	<b><u>\$ (17,327,437)</u></b>

**Gainesville Regional Utilities**  
**Purchased Gas Adjustment (PGA) Levelization**  
**For the Period Ended December 31, 2022**

	<u>Actual</u>
Purchased Gas Revenues	\$ 4,523,147
Purchased Gas Expenses	5,217,646
<b>To (From) PGA Levelization</b>	<b><u>\$ (694,500)</u></b>
PGA Beginning Balance	\$ (2,701,673)
To (From) PGA Levelization	(694,500)
<b>PGA Ending Balance</b>	<b><u>\$ (3,396,173)</u></b>