

Gainesville Regional Utilities

Financial Statements - Unaudited

For the Period Ended March 31, 2024



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For the Period Ended March 31, 2024**

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Overview and Basis of Accounting

Gainesville Regional Utilities Financial Statements - Unaudited For the Period Ended March 31, 2024

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 March 31, 2024.

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
March 31, 2024 and 2023

	March 31, 2024	March 31, 2023	Change (\$)	Change (%)
Assets				
Current assets:				
Cash and investments	\$ 26,747,607	\$ 29,054,218	\$ (2,306,611)	(7.9%)
Accounts receivable, net of allowance for uncollectible accounts of \$9,624,329 and \$5,522,314 respectively	52,240,810	58,204,928	(5,964,118)	(10.2%)
Inventories:				
Fuel	18,655,068	19,291,155	(636,087)	(3.3%)
Materials and supplies	31,663,504	34,273,538	(2,610,034)	(7.6%)
Fuel and purchased gas adjustment	-	6,090,555	(6,090,555)	(100.0%)
Regulatory assets	1,245,476	1,094,060	151,416	13.8%
Other assets	4,305,457	7,418,741	(3,113,284)	(42.0%)
Total current assets	<u>134,857,922</u>	<u>155,427,195</u>	<u>(20,569,273)</u>	<u>(13.2%)</u>
Restricted and internally designated assets:				
Current:				
Utility deposits - cash and investments	8,828,926	9,050,208	(221,282)	(2.4%)
Debt service - cash and investments	50,776,954	50,755,574	21,380	0.0%
Noncurrent:				
Debt defeasance - cash and investments	27,215,841	1,094,755	26,121,086	2386.0%
Fuel hedges - cash and investments	13,437,471	16,311,690	(2,874,219)	(17.6%)
Rate stabilization - cash and investments	67,312,634	44,578,391	22,734,243	51.0%
Construction fund - cash and investments	163,239,493	47,308,074	115,931,419	245.1%
Utility plant improvement fund - cash and investments	50,081,333	54,103,246	(4,021,913)	(7.4%)
Total restricted and internally designated assets	<u>380,892,652</u>	<u>223,201,938</u>	<u>157,690,714</u>	<u>70.6%</u>
Noncurrent assets:				
Long-term lease receivable	19,282,835	20,180,491	(897,656)	(4.4%)
Fair value of derivative instruments	72,338,296	30,876,464	41,461,832	134.3%
Investment in The Energy Authority	10,196,536	7,731,043	2,465,493	31.9%
Regulatory assets	215,395,895	204,194,306	11,201,589	5.5%
Other assets	4,675,336	7,049,262	(2,373,926)	(33.7%)
Total noncurrent assets	<u>321,888,898</u>	<u>270,031,566</u>	<u>51,857,332</u>	<u>19.2%</u>
Capital assets:				
Utility plant in service	3,125,709,321	3,073,180,892	52,528,429	1.7%
Right-of-use Asset	11,461,919	758,738	10,703,181	1410.7%
Less: accumulated depreciation and amortization	(1,455,602,227)	(1,362,851,721)	(92,750,506)	6.8%
	<u>1,681,569,013</u>	<u>1,711,087,909</u>	<u>(29,518,896)</u>	<u>(1.7%)</u>
Construction in progress	160,336,165	126,969,215	33,366,950	26.3%
Net capital assets	<u>1,841,905,178</u>	<u>1,838,057,124</u>	<u>3,848,054</u>	<u>0.2%</u>
Total assets	<u>2,679,544,650</u>	<u>2,486,717,823</u>	<u>192,826,827</u>	<u>7.8%</u>
Deferred outflows of resources:				
Unamortized loss on refunding of bonds	6,000,603	7,271,002	(1,270,399)	(17.5%)
Accumulated decrease in fair value of hedging derivative	8,202,939	14,919,324	(6,716,385)	(45.0%)
General Employees' Pension plan costs	23,654,803	77,722,261	(54,067,458)	(69.6%)
Other post-employment benefits plan	4,067,550	7,207,036	(3,139,486)	(43.6%)
Total deferred outflows of resources	<u>41,925,895</u>	<u>107,119,623</u>	<u>(65,193,728)</u>	<u>(60.9%)</u>
Total assets and deferred outflows of resources	<u>\$ 2,721,470,545</u>	<u>\$ 2,593,837,446</u>	<u>\$ 127,633,099</u>	<u>4.9%</u>

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Gainesville Regional Utilities
Statements of Net Position - Unaudited (concluded)
March 31, 2024 and 2023

	March 31, 2024	March 31, 2023	Change (\$)	Change (%)
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 13,924,305	\$ 13,612,353	\$ 311,952	2%
Fuels payable	3,768,356	5,500,771	(1,732,415)	(31.5%)
Due to other funds	5,695,778	7,106,315	(1,410,537)	(19.8%)
Fuel and purchased gas adjustment	13,023,778	-	13,023,778	-
Other liabilities	3,058,811	981,649	2,077,162	211.6%
Total current liabilities	39,471,028	27,201,088	12,269,940	45.1%
Current liabilities from restricted assets:				
Utility deposits	8,815,082	9,044,958	(229,876)	(2.5%)
Accounts payable and accrued liabilities	2,337,558	1,421,803	915,755	64.4%
Utility system revenue bonds	35,340,000	35,680,000	(340,000)	(1.0%)
Accrued interest payable	31,184,220	30,946,037	238,183	0.8%
Other liabilities	13,732	14,672	(940)	(6.4%)
Total payable from restricted assets	77,690,592	77,107,470	583,122	0.8%
Long-term debt:				
Utility system revenue bonds	1,778,095,000	1,662,225,000	115,870,000	7.0%
Long-term liability - leases	209,487	357,168	(147,681)	(41.3%)
Long-term liability - SBITA	2,868,910	-	2,868,910	-
Unamortized bond premium/discount	88,479,146	96,826,562	(8,347,416)	(8.6%)
Fair value of derivative instruments	8,202,939	-	8,202,939	-
Total long-term debt	1,877,855,482	1,759,408,730	118,446,752	6.7%
Noncurrent liabilities:				
Reserve for insurance claims	1,960,000	1,960,000	-	0.0%
Reserve for environmental liability	708,000	708,000	-	0.0%
Net pension liability	47,616,640	80,909,530	(33,292,890)	(41.1%)
Net other post-employment benefits liability	3,415,965	4,193,523	(777,558)	(18.5%)
Due to other funds	98,649,296	102,159,843	(3,510,547)	(3.4%)
Other noncurrent liabilities	75,329	2,390,348	(2,315,019)	(96.8%)
Total noncurrent liabilities	152,425,230	192,321,244	(39,896,014)	(20.7%)
Total liabilities	2,147,442,332	2,056,038,532	91,403,800	4.4%
Deferred inflows of resources:				
Rate stabilization	63,890,754	58,653,671	5,237,083	8.9%
Accumulated increase in fair value of hedging derivative	72,446,458	46,073,168	26,373,290	57.2%
General Employees' Pension plan costs	302,280	45,300	256,980	567.3%
Other post-employment benefits plan	4,553,201	5,755,669	(1,202,468)	(20.9%)
Leases	20,357,062	21,373,099	(1,016,037)	(4.8%)
Total deferred inflows of resources	161,549,755	131,900,907	29,648,848	22.5%
Net position				
Net investment in capital assets	105,989,359	101,913,556	4,075,803	4.0%
Restricted	73,109,006	59,828,081	13,280,925	22.2%
Unrestricted	233,380,093	244,156,370	(10,776,277)	(4.4%)
Total net position	412,478,458	405,898,007	6,580,451	1.6%
Total liabilities, deferred inflows of resources and net position	\$ 2,721,470,545	\$ 2,593,837,446	\$ 127,633,099	4.9%

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Gainesville Regional Utilities
Statements of Revenues, Expenses, and Changes in Net Position - Unaudited
For the Periods Ended March 31, 2024 and 2023

	<u>March 31, 2024</u>	<u>March 31, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Operating revenues:				
Sales and service charges	\$ 200,012,768	\$ 215,818,018	(15,805,250)	(7.3%)
Transfer from (to) rate stabilization	(1,399,573)	(5,117,841)	3,718,268	(72.7%)
Amounts recoverable from (to) future revenue	2,335,351	1,773,190	562,161	31.7%
Other operating revenue	7,193,182	6,672,290	520,892	7.8%
Total operating revenues	<u>208,141,728</u>	<u>219,145,657</u>	<u>(11,003,929)</u>	<u>(5.0%)</u>
Operating expenses:				
Operation and maintenance	96,540,489	115,993,720	(19,453,231)	(16.8%)
Administrative and general	20,358,475	20,092,999	265,476	1.3%
Depreciation and amortization	52,406,937	51,299,361	1,107,576	2.2%
Total operating expenses	<u>169,305,901</u>	<u>187,386,080</u>	<u>(18,080,179)</u>	<u>(9.6%)</u>
Operating income	<u>38,835,827</u>	<u>31,759,577</u>	<u>7,076,250</u>	<u>22.3%</u>
Non-operating income (expense):				
Interest income	6,497,615	1,489,855	5,007,760	336.1%
Interest expense	(34,700,491)	(30,560,787)	(4,139,704)	13.5%
Other interest related income, BABs	2,430,964	2,456,213	(25,249)	(1.0%)
Other income (expense)	4,682,696	(1,877,154)	6,559,850	(349.5%)
Total non-operating income (expense)	<u>(21,089,216)</u>	<u>(28,491,873)</u>	<u>7,402,657</u>	<u>(26.0%)</u>
Income before capital contributions and transfer	<u>17,746,611</u>	<u>3,267,704</u>	<u>14,478,907</u>	<u>443.1%</u>
Capital contributions:				
Contributions from third parties	189,514	190,137	(623)	(0.3%)
Reduction of plant costs recovered through contributions	(109,466)	(15,202)	(94,264)	620.1%
Net capital contributions	<u>80,048</u>	<u>174,935</u>	<u>(94,887)</u>	<u>(54.2%)</u>
General fund transfer				
Transfer to City of Gainesville General Fund	(7,652,612)	(17,141,500)	9,488,888	(55.4%)
Total general fund transfer	<u>(7,652,612)</u>	<u>(17,141,500)</u>	<u>9,488,888</u>	<u>(55.4%)</u>
Change in net position	<u>10,174,047</u>	<u>(13,698,861)</u>	<u>23,872,908</u>	<u>(174.3%)</u>
Net position - beginning of year	<u>402,304,411</u>	<u>419,596,868</u>	<u>(17,292,457)</u>	<u>(4.1%)</u>
Net position - end of period	<u>\$ 412,478,458</u>	<u>\$ 405,898,007</u>	<u>6,580,451</u>	<u>1.6%</u>

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution -
Unaudited For the Periods Ended March 31, 2024 and 2023

	<u>March 31, 2024</u>	<u>March 31, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Electric system:				
Sales of electricity	\$ 99,882,380	\$ 94,436,358	\$ 5,446,022	5.8
Fuel adjustment	34,750,030	55,279,271	(20,529,241)	(37.1)
Transfer from (to) rate stabilization	(1,014,188)	(1,878,254)	864,066	46.0
Other revenue	2,362,865	1,815,321	547,544	30.2
Other income	3,038,545	680,766	2,357,779	346.3
Build America Bonds	1,325,296	1,342,522	(17,226)	(1.3)
Total electric system revenues	<u>140,344,928</u>	<u>151,675,984</u>	<u>(11,331,056)</u>	<u>(7.5)</u>
Water system:				
Sales of water	18,702,659	17,289,657	1,413,002	8.2
Transfer from (to) rate stabilization	355,602	(1,520,767)	1,876,369	123.4
Other revenue	1,104,850	1,450,224	(345,374)	(23.8)
Other income	453,426	149,197	304,229	203.9
Build America Bonds	381,690	384,922	(3,232)	(0.8)
Total water system revenues	<u>20,998,227</u>	<u>17,753,233</u>	<u>3,244,994</u>	<u>18.3</u>
Wastewater system:				
Sales of services	25,863,276	23,659,216	2,204,060	9.3
Transfer from (to) rate stabilization	(199,726)	(1,718,820)	1,519,094	88.4
Other revenue	1,935,695	2,703,876	(768,181)	(28.4)
Other income	535,884	140,292	395,592	282.0
Build America Bonds	445,807	447,106	(1,299)	(0.3)
Total wastewater system revenues	<u>28,580,936</u>	<u>25,231,670</u>	<u>3,349,266</u>	<u>13.3</u>
Gas system:				
Sales of gas	9,708,234	8,652,250	1,055,984	12.2
Purchased gas adjustment	6,290,423	9,119,151	(2,828,728)	(31.0)
Transfer from (to) rate stabilization	(541,260)	-	(541,260)	-
Other revenue	146,257	195,893	(49,636)	(25.3)
Other income	242,996	112,472	130,524	116.1
Build America Bonds	278,170	281,664	(3,494)	(1.2)
Total gas system revenues	<u>16,124,820</u>	<u>18,361,430</u>	<u>(2,236,610)</u>	<u>(12.2)</u>
Telecommunications system:				
Sales of services	4,815,765	7,382,114	(2,566,349)	(34.8)
Other revenue	21,893	18,169	3,724	20.5
Other income	176,213	42,452	133,761	315.1
Total telecommunications system revenues	<u>5,013,871</u>	<u>7,442,735</u>	<u>(2,428,864)</u>	<u>(32.6)</u>
Total revenues	<u>211,062,782</u>	<u>220,465,052</u>	<u>(9,402,270)</u>	<u>(4.3)</u>

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution -
Unaudited For the Periods Ended March 31, 2024 and 2023

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	<u>March 31, 2024</u>	<u>March 31, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Operation, maintenance, and administrative expenses:				
Electric system:				
Fuel expenses	34,750,030	55,279,271	(20,529,241)	(37.1)
Operation and maintenance	33,484,369	30,473,477	3,010,892	9.9
Administrative and general	13,587,776	13,024,306	563,470	4.3
Total electric system expenses	<u>81,822,175</u>	<u>98,777,054</u>	<u>(16,954,879)</u>	<u>(17.2)</u>
Water system:				
Operation and maintenance	7,855,224	6,211,731	1,643,493	26.5
Administrative and general	3,156,305	3,068,011	88,294	2.9
Total water system expenses	<u>11,011,529</u>	<u>9,279,742</u>	<u>1,731,787</u>	<u>18.7</u>
Wastewater system:				
Operation and maintenance	8,234,353	8,519,563	(285,210)	(3.3)
Administrative and general	3,359,598	3,115,467	244,131	7.8
Total wastewater system expenses	<u>11,593,951</u>	<u>11,635,030</u>	<u>(41,079)</u>	<u>(0.4)</u>
Gas system:				
Fuel expense - purchased gas	6,290,423	9,119,151	(2,828,728)	(31.0)
Operation and maintenance	1,579,967	1,433,011	146,956	10.3
Administrative and general	1,475,484	1,818,505	(343,021)	(18.9)
Total gas system expenses	<u>9,345,874</u>	<u>12,370,667</u>	<u>(3,024,793)</u>	<u>(24.5)</u>
Telecommunications system:				
Operation and maintenance	3,553,030	4,305,303	(752,273)	(17.5)
Administrative and general	476,893	424,550	52,343	12.3
Total telecommunications system expenses	<u>4,029,923</u>	<u>4,729,853</u>	<u>(699,930)</u>	<u>(14.8)</u>
Total expenses	<u>117,803,452</u>	<u>136,792,346</u>	<u>(18,988,894)</u>	<u>(38.1)</u>
Net revenues in accordance with bond resolution				
Total electric system	58,522,753	52,898,930	5,623,823	10.6
Total water system	9,986,698	8,473,491	1,513,207	17.9
Total wastewater system	16,986,985	13,596,640	3,390,345	24.9
Total gas system	6,778,946	5,990,763	788,183	13.2
Total telecommunications system	983,948	2,712,882	(1,728,934)	(63.7)
Total net revenues in accordance with bond resolution	<u>93,259,330</u>	<u>83,672,706</u>	<u>9,586,624</u>	<u>11.5</u>
Less transfer to other funds:				
Debt service	48,068,621	51,727,774	(3,659,153)	(7.1)
UPIF contributions	23,062,809	23,103,105	(40,296)	(0.2)
Transfer to City of Gainesville for GSC	7,652,613	17,141,500	(9,488,887)	(55.4)
Transfer from City of Gainesville General Fund for county streetlights	-	(400,000)	400,000	100.0
Transfer to Debt Defeasance from excess revenues	3,250,000	-	3,250,000	-
Transfer to Debt Defeasance from budget reductions	1,705,006	-	1,705,006	-
Transfer to Debt Defeasance from GSC reduction	8,488,887	-	8,488,887	-
Transfer to Debt Defeasance from Treasury	2,340,754	2,336,795	3,959	0.2
Net impact to rate stabilization - addition (reduction)	<u>\$ (1,309,360)</u>	<u>\$ (10,236,468)</u>	<u>\$ 8,927,108</u>	<u>87.2</u>

Gainesville Regional Utilities
Electric Utility System
Schedules of Net Revenues in Accordance with Bond Resolution -
Unaudited For the Periods Ended March 31, 2024 and 2023

	March 31, 2024	March 31, 2023	Change (\$)	Change (%)
Revenues:				
Residential	\$ 39,815,185	\$ 37,094,651	\$ 2,720,534	7.3
Non-residential	46,821,822	45,493,110	1,328,712	2.9
Fuel adjustment	34,750,030	55,279,271	(20,529,241)	(37.1)
Utility surcharge	2,150,540	2,133,822	16,718	0.8
Other electric sales	11,094,833	9,714,775	1,380,058	14.2
Total sales of electricity	134,632,410	149,715,629	(15,083,219)	(10.1)
Transfer from (to) rate stabilization	(1,014,188)	(1,878,254)	864,066	46.0
Other revenue	2,362,865	1,815,321	547,544	30.2
Other income	3,038,545	680,766	2,357,779	346.3
Build America Bonds	1,325,296	1,342,522	(17,226)	(1.3)
Total revenues	140,344,928	151,675,984	(11,331,056)	(7.5)
Operation, maintenance, and administrative expenses:				
Fuel expenses	34,750,030	55,279,271	(20,529,241)	(37.1)
Power production	23,436,256	22,263,211	1,173,045	5.3
Transmission and distribution	10,048,113	8,210,266	1,837,847	22.4
Administrative and general	13,587,776	13,024,306	563,470	4.3
Total operation, maintenance, and administrative expenses	81,822,175	98,777,054	(16,954,879)	(17.2)
Total net revenues in accordance with bond resolution	58,522,753	52,898,930	5,623,823	10.6
Less transfer to other funds:				
Debt service	33,991,047	37,011,884	(3,020,837)	(8.2)
UPIF contributions	14,368,088	13,674,671	693,417	5.1
Transfer to City of Gainesville for GSC	4,761,639	11,155,688	(6,394,049)	(57.3)
Transfer from City of Gainesville General Fund for county streetlights	-	(400,000)	400,000	100.0
Loss absorbed from Telecommunications	1,955,040	-	1,955,040	-
Transfer to Debt Defeasance from excess revenues	2,178,072	-	2,178,072	-
Transfer to Debt Defeasance from budget reductions	1,060,896	-	1,060,896	-
Transfer to Debt Defeasance from GSC reduction	5,281,990	-	5,281,990	-
Transfer to Debt Defeasance from Treasury	1,861,004	1,856,846	4,158	0.2
Net impact to rate stabilization - addition (reduction)	\$ (6,935,023)	\$ (10,400,159)	\$ 3,465,136	33.3

Gainesville Regional Utilities
Water Utility System
Schedules of Net Revenues in Accordance with Bond Resolution -
Unaudited For the Periods Ended March 31, 2024 and 2023

	<u>March 31, 2024</u>	<u>March 31, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	\$ 11,282,916	\$ 10,502,672	\$ 780,244	7.4
Non-residential	6,059,129	5,553,181	505,948	9.1
Utility surcharge	1,360,614	1,233,804	126,810	10.3
Total sales of water	<u>18,702,659</u>	<u>17,289,657</u>	<u>1,413,002</u>	<u>8.2</u>
Transfer from (to) rate stabilization	355,602	(1,520,767)	1,876,369	123.4
Other revenue	1,104,850	1,450,224	(345,374)	(23.8)
Other income	453,426	149,197	304,229	203.9
Build America Bonds	381,690	384,922	(3,232)	(0.8)
Total revenues	<u>20,998,227</u>	<u>17,753,233</u>	<u>3,244,994</u>	<u>18.3</u>
Operation, maintenance, and administrative expenses:				
Transmission and distribution	3,124,962	1,502,526	1,622,436	108.0
Treatment	4,730,262	4,709,205	21,057	0.4
Administrative and general	3,156,305	3,068,011	88,294	2.9
Total operation, maintenance, and administrative expenses	<u>11,011,529</u>	<u>9,279,742</u>	<u>1,731,787</u>	<u>18.7</u>
Total net revenues in accordance with bond resolution	<u>9,986,698</u>	<u>8,473,491</u>	<u>1,513,207</u>	<u>17.9</u>
Less transfer to other funds:				
Debt service	4,274,505	4,599,833	(325,328)	(7.1)
UPIF contributions	3,077,420	3,185,656	(108,236)	(3.4)
Transfer to City of Gainesville for GSC	995,712	2,022,697	(1,026,985)	(50.8)
Loss absorbed from Telecommunications	369,187	-	369,187	-
Transfer to Debt Defeasance from budget reductions	221,845	-	221,845	-
Transfer to Debt Defeasance from GSC reduction	1,104,523	-	1,104,523	-
Transfer to Debt Defeasance from Treasury	160,104	160,103	1	0.0
Net impact to rate stabilization - addition (reduction)	<u>\$ (216,598)</u>	<u>\$ (1,494,798)</u>	<u>\$ 1,278,200</u>	<u>85.5</u>

Gainesville Regional Utilities
Wastewater Utility System
Schedules of Net Revenues in Accordance with Bond Resolution -
Unaudited For the Periods Ended March 31, 2024 and 2023

	<u>March 31, 2024</u>	<u>March 31, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	16,904,014	\$ 15,512,389	\$ 1,391,625	9.0
Non-residential	7,063,698	6,472,051	591,647	9.1
Utility surcharge	1,895,564	1,674,776	220,788	13.2
Total sales of services	<u>25,863,276</u>	<u>23,659,216</u>	<u>2,204,060</u>	<u>9.3</u>
Transfer from (to) rate stabilization	(199,726)	(1,718,820)	1,519,094	88.4
Other revenue	1,935,695	2,703,876	(768,181)	(28.4)
Other income	535,884	140,292	395,592	282.0
Build America Bonds	445,807	447,106	(1,299)	(0.3)
Total revenues	<u>28,580,936</u>	<u>25,231,670</u>	<u>3,349,266</u>	<u>13.3</u>
Operation, maintenance, and administrative expenses:				
Collection	3,088,859	3,261,216	(172,357)	(5.3)
Treatment	5,145,494	5,258,347	(112,853)	(2.1)
Administrative and general	3,359,598	3,115,467	244,131	7.8
Total operation, maintenance, and administrative expenses	<u>11,593,951</u>	<u>11,635,030</u>	<u>(41,079)</u>	<u>(0.4)</u>
Total net revenues in accordance with bond resolution	<u>16,986,985</u>	<u>13,596,640</u>	<u>3,390,345</u>	<u>24.9</u>
Less transfer to other funds:				
Debt service	6,566,460	6,427,850	138,610	2.2
UPIF contributions	3,631,987	3,812,580	(180,593)	(4.7)
Transfer to City of Gainesville for GSC	1,228,459	2,420,380	(1,191,921)	(49.2)
Loss absorbed from Telecommunications	472,394	-	472,394	-
Transfer to Debt Defeasance from excess revenues	1,071,928	-	1,071,928	-
Transfer to Debt Defeasance from budget reductions	273,701	-	273,701	-
Transfer to Debt Defeasance from GSC reduction	1,362,704	-	1,362,704	-
Transfer to Debt Defeasance from Treasury	181,287	181,401	(114)	(0.1)
Net impact to rate stabilization - addition (reduction)	<u>\$ 2,198,065</u>	<u>\$ 754,429</u>	<u>\$ 1,443,636</u>	<u>191.4</u>

Gainesville Regional Utilities
Gas Utility System
Schedules of Net Revenues in Accordance with Bond Resolution -
Unaudited For the Periods Ended March 31, 2024 and 2023

	<u>March 31, 2024</u>	<u>March 31, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	\$ 5,265,995	\$ 4,746,171	\$ 519,824	11.0
Non-residential	3,229,827	2,845,003	384,824	13.5
Purchased gas adjustment	6,290,423	9,119,151	(2,828,728)	(31.0)
Utility surcharge	369,433	327,459	41,974	12.8
Other gas sales	842,979	733,617	109,362	14.9
Total sales of gas	<u>15,998,657</u>	<u>17,771,401</u>	<u>(1,772,744)</u>	<u>(10.0)</u>
Transfer from (to) rate stabilization	(541,260)	-	(541,260)	-
Other revenue	146,257	195,893	(49,636)	(25.3)
Other income	242,996	112,472	130,524	116.1
Build America Bonds	278,170	281,664	(3,494)	(1.2)
Total revenues	<u>16,124,820</u>	<u>18,361,430</u>	<u>(2,236,610)</u>	<u>(12.2)</u>
Operation, maintenance, and administrative expenses:				
Fuel expense - purchased gas	6,290,423	9,119,151	(2,828,728)	(31.0)
Operation and maintenance	1,579,967	1,433,011	146,956	10.3
Administrative and general	1,475,484	1,818,505	(343,021)	(18.9)
Total operation, maintenance, and administrative expenses	<u>9,345,874</u>	<u>12,370,667</u>	<u>(3,024,793)</u>	<u>(24.5)</u>
Total net revenues in accordance with bond resolution	<u>6,778,946</u>	<u>5,990,763</u>	<u>788,183</u>	<u>13.2</u>
Less transfer to other funds:				
Debt service	2,174,807	2,483,173	(308,366)	(12.4)
UPIF contributions	1,485,314	1,751,840	(266,526)	(15.2)
Transfer to City of Gainesville for GSC	381,766	915,356	(533,590)	(58.3)
Loss absorbed from Telecommunications	152,157	-	152,157	-
Transfer to Debt Defeasance from budget reductions	85,057	-	85,057	-
Transfer to Debt Defeasance from GSC reduction	423,485	-	423,485	-
Transfer to Debt Defeasance from Treasury	81,726	81,774	(48)	(0.1)
Net impact to rate stabilization - addition (reduction)	<u>\$ 1,994,634</u>	<u>\$ 758,620</u>	<u>\$ 1,236,014</u>	<u>162.9</u>

Gainesville Regional Utilities
Telecommunications System
Schedules of Net Revenues in Accordance with Bond Resolution -
Unaudited For the Periods Ended March 31, 2024 and 2023

	<u>March 31, 2024</u>	<u>March 31, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Telecommunications	\$ 3,700,070	\$ 3,644,099	\$ 55,971	1.5
Trunking radio	-	2,653,062	(2,653,062)	(100.0)
Tower leasing	1,115,695	1,084,953	30,742	2.8
Total sales of services	<u>4,815,765</u>	<u>7,382,114</u>	<u>(2,566,349)</u>	<u>(34.8)</u>
Other revenue	21,893	18,169	3,724	20.5
Other income	176,213	42,452	133,761	315.1
Total revenues	<u>5,013,871</u>	<u>7,442,735</u>	<u>(2,428,864)</u>	<u>(32.6)</u>
Operation, maintenance, and administrative expenses:				
Operation and maintenance	3,553,030	4,305,303	(752,273)	(17.5)
Administrative and general	476,893	424,550	52,343	12.3
Total operation, maintenance, and administrative expenses	<u>4,029,923</u>	<u>4,729,853</u>	<u>(699,930)</u>	<u>(14.8)</u>
Total net revenues in accordance with bond resolution	<u>983,948</u>	<u>2,712,882</u>	<u>(1,728,934)</u>	<u>(63.7)</u>
Less transfer to other funds:				
Debt service	1,061,802	1,205,034	(143,232)	(11.9)
UPIF contributions	500,000	678,358	(178,358)	(26.3)
Transfer to City of Gainesville for GSC	285,037	627,379	(342,342)	(54.6)
Loss absorbed by Other Systems	(2,948,778)	-	(2,948,778)	-
Transfer to Debt Defeasance from budget reductions	63,507	-	63,507	-
Transfer to Debt Defeasance from GSC reduction	316,185	-	316,185	-
Transfer to Debt Defeasance from Treasury	56,633	56,671	(38)	(0.1)
Net impact to rate stabilization - addition (reduction)	<u>\$ 1,649,562</u>	<u>\$ 145,440</u>	<u>\$ 1,504,122</u>	<u>1,034.2</u>

Supplementary Data

Gainesville Regional Utilities
Fuel Adjustment Levelization
For the Year Ended March 31, 2024

		<u>Actual</u>
Fuel Revenues	\$	40,174,661
Fuel Expenses		34,750,030
To (From) Fuel Adjustment Levelization	\$	<u>5,424,630</u>
Fuel Adjustment Beginning Balance	\$	4,541,516
To (From) Fuel Adjustment Levelization		5,424,630
Fuel Adjustment Ending Balance	\$	<u>9,966,146</u>

Gainesville Regional Utilities
Purchased Gas Adjustment (PGA) Levelization
For the Year Ended March 31, 2024

	Actual
Purchased Gas Revenues	\$ 7,452,275
Purchased Gas Expenses	6,290,423
To (From) PGA Levelization	\$ 1,161,852
PGA Beginning Balance	\$ 1,895,781
To (From) PGA Levelization	1,161,852
PGA Ending Balance	\$ 3,057,632