

Gainesville Regional Utilities

Financial Statements - Unaudited

For the Period Ended June 30, 2024



**Gainesville Regional Utilities
Financial Statements - Unaudited
For the Period Ended June 30, 2024**

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Overview and Basis of Accounting

Gainesville Regional Utilities

Financial Statements - Unaudited

For the Period Ended June 30, 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 June 30, 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
June 30, 2024 and 2023

	June 30, 2024	June 30, 2023	Change (\$)	Change (%)
Assets				
Current assets:				
Cash and investments	\$ 37,266,003	\$ 40,854,818	\$ (3,588,815)	(8.8%)
Accounts receivable, net of allowance for uncollectible accounts of \$9,939,731 and \$5,649,289 respectively	57,230,830	64,328,099	(7,097,269)	(11.0%)
Inventories:				
Fuel	17,426,244	18,401,062	(974,818)	(5.3%)
Materials and supplies	29,935,006	35,010,627	(5,075,621)	(14.5%)
Regulatory assets	1,235,237	1,078,238	156,999	14.6%
Other assets	6,000,802	5,673,108	327,694	5.8%
Total current assets	149,094,122	165,345,952	(16,251,830)	(9.8%)
Restricted and internally designated assets:				
Current:				
Utility deposits - cash and investments	9,263,472	8,184,743	1,078,729	13.2%
Debt service - cash and investments	43,684,832	43,811,093	(126,261)	(0.3%)
Noncurrent:				
Debt defeasance - cash and investments	28,962,154	2,263,153	26,699,001	1179.7%
Fuel hedges - cash and investments	8,267,618	13,660,126	(5,392,508)	(39.5%)
Rate stabilization - cash and investments	68,284,143	46,927,167	21,356,976	45.5%
Construction fund - cash and investments	156,582,754	181,303,356	(24,720,602)	(13.6%)
Utility plant improvement fund - cash and investments	40,581,657	48,701,638	(8,119,981)	(16.7%)
Total restricted and internally designated assets	355,626,630	344,851,276	10,775,354	3.1%
Noncurrent assets:				
Long-term lease receivable	19,282,835	20,180,491	(897,656)	(4.4%)
Fair value of derivative instruments	77,376,574	45,094,896	32,281,678	71.6%
Investment in The Energy Authority	10,271,291	8,210,220	2,061,071	25.1%
Regulatory assets	214,703,470	203,900,643	10,802,827	5.3%
Other assets	4,015,703	7,412,217	(3,396,514)	(45.8%)
Total noncurrent assets	325,649,873	284,798,467	40,851,406	14.3%
Capital assets:				
Utility plant in service	3,162,557,804	3,076,765,359	85,792,445	2.8%
Right-of-use Asset	11,461,919	758,738	10,703,181	1410.7%
Less: accumulated depreciation and amortization	(1,478,188,779)	(1,388,403,528)	(89,785,251)	6.5%
	1,695,830,944	1,689,120,569	6,710,375	0.4%
Construction in progress	148,748,777	154,177,921	(5,429,144)	(3.5%)
Net capital assets	1,844,579,721	1,843,298,490	1,281,231	0.1%
Total assets	2,674,950,346	2,638,294,185	36,656,161	1.4%
Deferred outflows of resources:				
Unamortized loss on refunding of bonds	5,030,273	6,955,125	(1,924,852)	(27.7%)
Accumulated decrease in fair value of hedging derivative	3,860,905	11,912,067	(8,051,162)	(67.6%)
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	36,613,531	103,796,489	(67,182,958)	(64.7%)
Total assets and deferred outflows of resources	\$ 2,711,563,877	\$ 2,742,090,674	\$ (30,526,797)	(1.1%)

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Gainesville Regional Utilities
Statements of Net Position - Unaudited (concluded)
June 30, 2024 and 2023

	June 30, 2024	June 30, 2023	Change (\$)	Change (%)
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 14,298,452	\$ 11,740,607	\$ 2,557,845	22%
Fuels payable	7,324,119	5,505,586	1,818,533	33%
Due to other funds	4,859,897	6,554,694	(1,694,797)	(25.9%)
Fuel and purchased gas adjustment	10,800,646	5,108,436	5,692,210	111%
Other liabilities	3,085,430	1,567,957	1,517,473	96.8%
Total current liabilities	<u>40,368,544</u>	<u>30,477,280</u>	<u>9,891,264</u>	<u>32.5%</u>
Current liabilities from restricted assets:				
Utility deposits	9,193,449	8,277,339	916,110	11.1%
Accounts payable and accrued liabilities	1,598,468	1,808,496	(210,028)	(11.6%)
Utility system revenue bonds	35,340,000	35,680,000	(340,000)	(1.0%)
Accrued interest payable	16,203,793	15,739,645	464,148	2.9%
Other liabilities	3,046	41,923	(38,877)	(92.7%)
Total payable from restricted assets	<u>62,338,756</u>	<u>61,547,403</u>	<u>791,353</u>	<u>1.3%</u>
Long-term debt:				
Utility system revenue bonds	1,772,020,000	1,813,435,000	(41,415,000)	(2.3%)
Long-term liability - leases	209,486	357,168	(147,682)	(41.3%)
Long-term liability - SBITA	2,868,910	-	2,868,910	-
Unamortized bond premium/discount	86,298,234	94,685,662	(8,387,428)	(8.9%)
Fair value of derivative instruments	3,860,905	851,213	3,009,692	353.6%
Total long-term debt	<u>1,865,257,535</u>	<u>1,909,329,043</u>	<u>(44,071,508)</u>	<u>(2.3%)</u>
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	1,975,645	(1,900,316)	(96.2%)
Total noncurrent liabilities	<u>152,425,230</u>	<u>191,906,541</u>	<u>(39,481,311)</u>	<u>(20.6%)</u>
Total liabilities	<u>2,120,390,065</u>	<u>2,193,260,267</u>	<u>(72,870,202)</u>	<u>(3.3%)</u>
Deferred inflows of resources:				
Rate stabilization	64,590,540	61,212,591	3,377,949	5.5%
Accumulated increase in fair value of hedging derivative	77,460,416	56,364,089	21,096,327	37.4%
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	<u>167,263,499</u>	<u>144,750,748</u>	<u>22,512,751</u>	<u>15.6%</u>
Net position				
Net investment in capital assets	109,796,748	91,093,171	18,703,577	20.5%
Restricted	71,825,421	62,389,369	9,436,052	15.1%
Unrestricted	242,288,144	250,597,119	(8,308,975)	(3.3%)
Total net position	<u>423,910,313</u>	<u>404,079,659</u>	<u>19,830,654</u>	<u>4.9%</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 2,711,563,877</u>	<u>\$ 2,742,090,674</u>	<u>\$ (30,526,797)</u>	<u>(1.1%)</u>

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Gainesville Regional Utilities
Statements of Revenues, Expenses, and Changes in Net Position - Unaudited
For the Periods Ended June 30, 2024 and 2023

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Operating revenues:				
Sales and service charges	\$ 309,711,067	\$ 319,945,637	(10,234,570)	(3.2%)
Transfer from (to) rate stabilization	(2,099,359)	(7,676,761)	5,577,402	(72.7%)
Amounts recoverable from (to) future revenue	3,503,632	2,448,355	1,055,277	43.1%
Other operating revenue	14,893,714	13,204,484	1,689,230	12.8%
Total operating revenues	<u>326,009,054</u>	<u>327,921,715</u>	<u>(1,912,661)</u>	<u>(0.6%)</u>
Operating expenses:				
Operation and maintenance	150,629,960	170,467,013	(19,837,053)	(11.6%)
Administrative and general	29,158,015	31,701,639	(2,543,624)	(8.0%)
Depreciation and amortization	79,337,419	76,866,990	2,470,429	3.2%
Total operating expenses	<u>259,125,394</u>	<u>279,035,642</u>	<u>(19,910,248)</u>	<u>(7.1%)</u>
Operating income	<u>66,883,660</u>	<u>48,886,073</u>	<u>17,997,587</u>	<u>36.8%</u>
Non-operating income (expense):				
Interest income	10,032,891	2,638,740	7,394,151	280.2%
Interest expense	(52,644,045)	(46,584,098)	(6,059,947)	13.0%
Other interest related income, BABs	3,669,192	3,698,327	(29,135)	(0.8%)
Other income (expense)	3,166,547	1,230,306	1,936,241	157.4%
Total non-operating income (expense)	<u>(35,775,415)</u>	<u>(39,016,725)</u>	<u>3,241,310</u>	<u>(8.3%)</u>
Income before capital contributions and transfer	<u>31,108,245</u>	<u>9,869,348</u>	<u>21,238,897</u>	<u>215.2%</u>
Capital contributions:				
Contributions from third parties	2,102,760	340,895	1,761,865	516.8%
Reduction of plant costs recovered through contributions	(126,184)	(15,202)	(110,982)	730.0%
Net capital contributions	<u>1,976,576</u>	<u>325,693</u>	<u>1,650,883</u>	<u>506.9%</u>
General fund transfer				
Transfer to City of Gainesville General Fund	(11,478,919)	(25,712,250)	14,233,331	(55.4%)
Total general fund transfer	<u>(11,478,919)</u>	<u>(25,712,250)</u>	<u>14,233,331</u>	<u>(55.4%)</u>
Change in net position	<u>21,605,902</u>	<u>(15,517,209)</u>	<u>37,123,111</u>	<u>(239.2%)</u>
Net position - beginning of year	<u>402,304,411</u>	<u>419,596,803</u>	<u>(17,292,392)</u>	<u>(4.1%)</u>
Net position - end of period	<u>\$ 423,910,313</u>	<u>\$ 404,079,594</u>	<u>19,830,719</u>	<u>4.9%</u>

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2024 and 2023

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Electric system:				
Sales of electricity	\$ 156,612,361	\$ 147,075,839	\$ 9,536,522	6.5
Fuel adjustment	57,708,495	78,817,204	(21,108,709)	(26.8)
Transfer from (to) rate stabilization	(1,521,283)	(2,817,381)	1,296,098	46.0
Other revenue	4,927,771	3,652,153	1,275,618	34.9
Other income	4,402,067	4,237,880	164,187	3.9
Build America Bonds	2,000,384	2,021,439	(21,055)	(1.0)
Total electric system revenues	<u>224,129,795</u>	<u>232,987,134</u>	<u>(8,857,339)</u>	<u>(3.8)</u>
Water system:				
Sales of water	28,292,322	26,425,560	1,866,762	7.1
Transfer from (to) rate stabilization	533,404	(2,281,150)	2,814,554	123.4
Other revenue	2,711,514	3,693,782	(982,268)	(26.6)
Other income	726,638	286,917	439,721	153.3
Build America Bonds	576,099	579,577	(3,478)	(0.6)
Total water system revenues	<u>32,839,977</u>	<u>28,704,686</u>	<u>4,135,291</u>	<u>14.4</u>
Wastewater system:				
Sales of services	38,819,080	35,503,121	3,315,959	9.3
Transfer from (to) rate stabilization	(299,590)	(2,578,230)	2,278,640	88.4
Other revenue	4,911,246	4,750,557	160,689	3.4
Other income	789,772	271,831	517,941	190.5
Build America Bonds	672,843	673,208	(365)	(0.1)
Total wastewater system revenues	<u>44,893,351</u>	<u>38,620,487</u>	<u>6,272,864</u>	<u>16.2</u>
Gas system:				
Sales of gas	13,121,880	12,067,312	1,054,568	8.7
Purchased gas adjustment	7,966,771	10,936,275	(2,969,504)	(27.2)
Transfer from (to) rate stabilization	(811,890)	-	(811,890)	-
Other revenue	310,970	295,686	15,284	5.2
Other income	357,983	166,566	191,417	114.9
Build America Bonds	419,866	424,102	(4,236)	(1.0)
Total gas system revenues	<u>21,365,580</u>	<u>23,889,941</u>	<u>(2,524,361)</u>	<u>(10.6)</u>
Telecommunications system:				
Sales of services	7,190,158	9,120,326	(1,930,168)	(21.2)
Other revenue	29,269	40,214	(10,945)	(27.2)
Other income	309,092	49,601	259,491	523.2
Total telecommunications system revenues	<u>7,528,519</u>	<u>9,210,141</u>	<u>(1,681,622)</u>	<u>(18.3)</u>
Total revenues	<u>330,757,222</u>	<u>333,412,389</u>	<u>(2,655,167)</u>	<u>(0.8)</u>

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2024 and 2023
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	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Operation, maintenance, and administrative expenses:				
Electric system:				
Fuel expenses	57,708,495	78,817,204	(21,108,709)	(26.8)
Operation and maintenance	51,485,780	47,415,483	4,070,297	8.6
Administrative and general	19,213,067	20,320,640	(1,107,573)	(5.5)
Total electric system expenses	<u>128,407,342</u>	<u>146,553,327</u>	<u>(18,145,985)</u>	<u>(12.4)</u>
Water system:				
Operation and maintenance	11,877,589	9,533,159	2,344,430	24.6
Administrative and general	4,634,132	4,874,531	(240,399)	(4.9)
Total water system expenses	<u>16,511,721</u>	<u>14,407,690</u>	<u>2,104,031</u>	<u>14.6</u>
Wastewater system:				
Operation and maintenance	12,878,835	13,457,524	(578,689)	(4.3)
Administrative and general	4,768,522	4,850,568	(82,046)	(1.7)
Total wastewater system expenses	<u>17,647,357</u>	<u>18,308,092</u>	<u>(660,735)</u>	<u>(3.6)</u>
Gas system:				
Fuel expense - purchased gas	7,966,771	10,936,275	(2,969,504)	(27.2)
Operation and maintenance	2,249,802	2,386,871	(137,069)	(5.7)
Administrative and general	2,248,697	2,673,044	(424,347)	(15.9)
Total gas system expenses	<u>12,465,270</u>	<u>15,996,190</u>	<u>(3,530,920)</u>	<u>(22.1)</u>
Telecommunications system:				
Operation and maintenance	5,333,897	7,016,286	(1,682,389)	(24.0)
Administrative and general	721,411	667,910	53,501	8.0
Total telecommunications system expenses	<u>6,055,308</u>	<u>7,684,196</u>	<u>(1,628,888)</u>	<u>(21.2)</u>
Total expenses	<u>181,086,998</u>	<u>202,949,495</u>	<u>(21,862,497)</u>	<u>(44.7)</u>
Net revenues in accordance with bond resolution				
Total electric system	95,722,453	86,433,807	9,288,646	10.7
Total water system	16,328,256	14,296,996	2,031,260	14.2
Total wastewater system	27,245,994	20,312,395	6,933,599	34.1
Total gas system	8,900,310	7,893,751	1,006,559	12.8
Total telecommunications system	1,473,211	1,525,945	(52,734)	(3.5)
Total net revenues in accordance with bond resolution	<u>149,670,224</u>	<u>130,462,894</u>	<u>19,207,330</u>	<u>14.7</u>
Less transfer to other funds:				
Debt service	81,698,558	78,371,353	3,327,205	4.2
UPIF contributions	34,594,214	34,654,658	(60,444)	(0.2)
Transfer to City of Gainesville for GSC	11,478,919	25,712,250	(14,233,331)	(55.4)
Transfer from City of Gainesville General Fund for county streetlights	-	(600,000)	600,000	100.0
Transfer to Debt Defeasance from excess revenues	4,875,000	-	4,875,000	-
Transfer to Debt Defeasance from budget reductions	2,557,508	-	2,557,508	-
Transfer to Debt Defeasance from GSC reduction	12,733,331	-	12,733,331	-
Transfer to Debt Defeasance from Treasury	3,511,130	3,505,192	5,938	0.2
Net impact to rate stabilization - addition (reduction)	<u>\$ (1,778,436)</u>	<u>\$ (11,180,559)</u>	<u>\$ 9,402,123</u>	<u>84.1</u>

Gainesville Regional Utilities
Electric Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2024 and 2023

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	\$ 62,100,393	\$ 57,622,887	\$ 4,477,506	7.8
Non-residential	74,288,315	69,762,274	4,526,041	6.5
Fuel adjustment	57,708,495	78,817,204	(21,108,709)	(26.8)
Utility surcharge	3,396,846	3,239,880	156,966	4.8
Other electric sales	16,826,807	16,450,798	376,009	2.3
Total sales of electricity	214,320,856	225,893,043	(11,572,187)	(5.1)
Transfer from (to) rate stabilization	(1,521,283)	(2,817,381)	1,296,098	46.0
Other revenue	4,927,771	3,652,153	1,275,618	34.9
Other income	4,402,067	4,237,880	164,187	3.9
Build America Bonds	2,000,384	2,021,439	(21,055)	(1.0)
Total revenues	224,129,795	232,987,134	(8,857,339)	(3.8)
Operation, maintenance, and administrative expenses:				
Fuel expenses	57,708,495	78,817,204	(21,108,709)	(26.8)
Power production	35,389,991	34,824,415	565,576	1.6
Transmission and distribution	16,095,789	12,591,068	3,504,721	27.8
Administrative and general	19,213,067	20,320,640	(1,107,573)	(5.5)
Total operation, maintenance, and administrative expenses	128,407,342	146,553,327	(18,145,985)	(12.4)
Total net revenues in accordance with bond resolution	95,722,453	86,433,807	9,288,646	10.7
Less transfer to other funds:				
Debt service	57,471,527	56,102,828	1,368,699	2.4
UPIF contributions	21,552,133	20,512,005	1,040,128	5.1
Transfer to City of Gainesville for GSC	7,142,458	16,733,532	(9,591,074)	(57.3)
Transfer from City of Gainesville General Fund for county streetlights	-	(600,000)	600,000	100.0
Transfer to Debt Defeasance from excess revenues	3,267,107	-	3,267,107	-
Transfer to Debt Defeasance from budget reductions	1,591,343	-	1,591,343	-
Transfer to Debt Defeasance from GSC reduction	7,922,985	-	7,922,985	-
Transfer to Debt Defeasance from Treasury	2,791,507	2,785,268	6,239	0.2
Net impact to rate stabilization - addition (reduction)	\$ (6,016,607)	\$ (9,099,826)	\$ 3,083,219	33.9

Gainesville Regional Utilities
Water Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2024 and 2023

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	\$ 17,117,520	\$ 16,045,240	\$ 1,072,280	6.7
Non-residential	9,076,199	8,461,954	614,245	7.3
Utility surcharge	2,098,603	1,918,366	180,237	9.4
Total sales of water	<u>28,292,322</u>	<u>26,425,560</u>	<u>1,866,762</u>	<u>7.1</u>
Transfer from (to) rate stabilization	533,404	(2,281,150)	2,814,554	123.4
Other revenue	2,711,514	3,693,782	(982,268)	(26.6)
Other income	726,638	286,917	439,721	153.3
Build America Bonds	576,099	579,577	(3,478)	(0.6)
Total revenues	<u>32,839,977</u>	<u>28,704,686</u>	<u>4,135,291</u>	<u>14.4</u>
Operation, maintenance, and administrative expenses:				
Transmission and distribution	3,943,512	2,220,169	1,723,343	77.6
Treatment	7,934,077	7,312,990	621,087	8.5
Administrative and general	4,634,132	4,874,531	(240,399)	(4.9)
Total operation, maintenance, and administrative expenses	<u>16,511,721</u>	<u>14,407,690</u>	<u>2,104,031</u>	<u>14.6</u>
Total net revenues in accordance with bond resolution	<u>16,328,256</u>	<u>14,296,996</u>	<u>2,031,260</u>	<u>14.2</u>
Less transfer to other funds:				
Debt service	7,299,978	6,948,675	351,303	5.1
UPIF contributions	4,616,130	4,778,485	(162,355)	(3.4)
Transfer to City of Gainesville for GSC	1,493,568	3,034,045	(1,540,477)	(50.8)
Transfer to Debt Defeasance from budget reductions	332,768	-	332,768	-
Transfer to Debt Defeasance from GSC reduction	1,656,785	-	1,656,785	-
Transfer to Debt Defeasance from Treasury	240,155	240,155	-	-
Net impact to rate stabilization - addition (reduction)	<u>\$ 688,872</u>	<u>\$ (704,364)</u>	<u>\$ 1,393,236</u>	<u>197.8</u>

Gainesville Regional Utilities
Wastewater Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2024 and 2023

	June 30, 2024	June 30, 2023	Change (\$)	Change (%)
Revenues:				
Residential	\$ 25,480,730	\$ 23,309,160	\$ 2,171,570	9.3
Non-residential	10,459,411	9,642,750	816,661	8.5
Utility surcharge	2,878,939	2,551,211	327,728	12.8
Total sales of services	38,819,080	35,503,121	3,315,959	9.3
Transfer from (to) rate stabilization	(299,590)	(2,578,230)	2,278,640	88.4
Other revenue	4,911,246	4,750,557	160,689	3.4
Other income	789,772	271,831	517,941	190.5
Build America Bonds	672,843	673,208	(365)	(0.1)
Total revenues	44,893,351	38,620,487	6,272,864	16.2
Operation, maintenance, and administrative expenses:				
Collection	4,598,561	5,121,887	(523,326)	(10.2)
Treatment	8,280,274	8,335,637	(55,363)	(0.7)
Administrative and general	4,768,522	4,850,568	(82,046)	(1.7)
Total operation, maintenance, and administrative expenses	17,647,357	18,308,092	(660,735)	(3.6)
Total net revenues in accordance with bond resolution	27,245,994	20,312,395	6,933,599	34.1
Less transfer to other funds:				
Debt service	11,357,181	9,743,456	1,613,725	16.6
UPIF contributions	5,447,981	5,718,870	(270,889)	(4.7)
Transfer to City of Gainesville for GSC	1,842,688	3,630,570	(1,787,882)	(49.2)
Transfer to Debt Defeasance from excess revenues	1,607,893	-	1,607,893	-
Transfer to Debt Defeasance from budget reductions	410,551	-	410,551	-
Transfer to Debt Defeasance from GSC reduction	2,044,056	-	2,044,056	-
Transfer to Debt Defeasance from Treasury	271,930	272,102	(172)	(0.1)
Net impact to rate stabilization - addition (reduction)	\$ 4,263,714	\$ 947,397	\$ 3,316,317	350.0

Gainesville Regional Utilities
Gas Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2024 and 2023

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	\$ 6,939,628	\$ 6,394,583	\$ 545,045	8.5
Non-residential	4,579,333	4,220,241	359,092	8.5
Purchased gas adjustment	7,966,771	10,936,275	(2,969,504)	(27.2)
Utility surcharge	488,294	445,624	42,670	9.6
Other gas sales	1,114,625	1,006,864	107,761	10.7
Total sales of gas	<u>21,088,651</u>	<u>23,003,587</u>	<u>(1,914,936)</u>	<u>(8.3)</u>
Transfer from (to) rate stabilization	(811,890)	-	(811,890)	-
Other revenue	310,970	295,686	15,284	5.2
Other income	357,983	166,566	191,417	114.9
Build America Bonds	419,866	424,102	(4,236)	(1.0)
Total revenues	<u>21,365,580</u>	<u>23,889,941</u>	<u>(2,524,361)</u>	<u>(10.6)</u>
Operation, maintenance, and administrative expenses:				
Fuel expense - purchased gas	7,966,771	10,936,275	(2,969,504)	(27.2)
Operation and maintenance	2,249,802	2,386,871	(137,069)	(5.7)
Administrative and general	2,248,697	2,673,044	(424,347)	(15.9)
Total operation, maintenance, and administrative expenses	<u>12,465,270</u>	<u>15,996,190</u>	<u>(3,530,920)</u>	<u>(22.1)</u>
Total net revenues in accordance with bond resolution	<u>8,900,310</u>	<u>7,893,751</u>	<u>1,006,559</u>	<u>12.8</u>
Less transfer to other funds:				
Debt service	3,678,794	3,737,921	(59,127)	(1.6)
UPIF contributions	2,227,970	2,627,760	(399,790)	(15.2)
Transfer to City of Gainesville for GSC	572,649	1,373,034	(800,385)	(58.3)
Transfer to Debt Defeasance from budget reductions	127,586	-	127,586	-
Transfer to Debt Defeasance from GSC reduction	635,227	-	635,227	-
Transfer to Debt Defeasance from Treasury	122,589	122,661	(72)	(0.1)
Net impact to rate stabilization - addition (reduction)	<u>\$ 1,535,495</u>	<u>\$ 32,375</u>	<u>\$ 1,503,120</u>	<u>4,642.8</u>

**Gainesville Regional Utilities
Telecommunications System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2024 and 2023**

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Telecommunications	\$ 5,545,139	\$ 5,495,914	\$ 49,225	0.9
Trunking radio	-	1,989,796	(1,989,796)	(100.0)
Tower leasing	1,645,019	1,634,616	10,403	0.6
Total sales of services	<u>7,190,158</u>	<u>9,120,326</u>	<u>(1,930,168)</u>	<u>(21.2)</u>
Other revenue	29,269	40,214	(10,945)	(27.2)
Other income	309,092	49,601	259,491	523.2
Total revenues	<u>7,528,519</u>	<u>9,210,141</u>	<u>(1,681,622)</u>	<u>(18.3)</u>
Operation, maintenance, and administrative expenses:				
Operation and maintenance	5,333,897	7,016,286	(1,682,389)	(24.0)
Administrative and general	721,411	667,910	53,501	8.0
Total operation, maintenance, and administrative expenses	<u>6,055,308</u>	<u>7,684,196</u>	<u>(1,628,888)</u>	<u>(21.2)</u>
Total net revenues in accordance with bond resolution	<u>1,473,211</u>	<u>1,525,945</u>	<u>(52,734)</u>	<u>(3.5)</u>
Less transfer to other funds:				
Debt service	1,891,078	1,838,473	52,605	2.9
UPIF contributions	750,000	1,017,538	(267,538)	(26.3)
Transfer to City of Gainesville for GSC	427,556	941,069	(513,513)	(54.6)
Transfer to Debt Defeasance from budget reductions	95,260	-	95,260	-
Transfer to Debt Defeasance from GSC reduction	474,278	-	474,278	-
Transfer to Debt Defeasance from Treasury	84,949	85,006	(57)	(0.1)
Net impact to rate stabilization - addition (reduction)	<u>\$ (2,249,910)</u>	<u>\$ (2,356,141)</u>	<u>\$ 106,231</u>	<u>4.5</u>

Supplementary Data

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

	Actual
Fuel Revenues	\$ 60,438
Fuel Expenses	57,708
To (From) Levelization Fund	\$ 2,730
Levelization Fund Beginning Balance	\$ 4,542
To (From) Levelization Fund	2,730
Levelization Fund Ending Balance	\$ 7,271

(In Thousands)

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

	Actual
Purchased Gas Revenues	\$ 9,600
Purchased Gas Expenses	7,967
To (From) PGA Levelization	\$ 1,634
PGA Beginning Balance	\$ 1,896
To (From) PGA Levelization	1,634
PGA Ending Balance	\$ 3,529

(In Thousands)