

Gainesville Regional Utilities

Interim Financial Statements - Unaudited

For the Period Ended December 31, 2021



Gainesville Regional Utilities
Financial Statements - Unaudited
For the Period Ended December 31, 2021

Contents

| | |
|--|----------|
| Overview and Basis of Accounting | 2 |
| Financial Statements | |
| Statements of Net Position-Unaudited..... | 4 |
| Statements of Revenues, Expenses, and Changes in Net Position-Unaudited..... | 7 |
| Schedules of Combined Net Revenues in Accordance with Bond Resolution-Unaudited..... | 8 |
| Electric Revenue Fund - Schedules of Net Revenues in Accordance with Bond Resolution-Unaudited..... | 10 |
| Water Revenue Fund - Schedules of Net Revenues in Accordance with Bond Resolution-Unaudited..... | 11 |
| Wastewater Revenue Fund - Schedules of Net Revenues in Accordance with Bond Resolution-Unaudited..... | 12 |
| Gas Revenue Fund - Schedules of Net Revenues in Accordance with Bond Resolution-Unaudited..... | 13 |
| Telecommunications Revenue Fund – Schedule of Net Revenues in Accordance with Bond Resolution-Unaudited..... | 14 |
| Supplementary Information | |
| Fuel Adjustment Levelization..... | 16 |
| Purchased Gas Adjustment (PGA) Levelization..... | 17 |

Overview and Basis of Accounting

Gainesville Regional Utilities Financial Statements - Unaudited For the Period Ended December 31, 2021

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 year ended December 31, 2021.

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, 2021 and 2020

| | December 31, 2021 | December 31, 2020 | Change (\$) | Change (%) |
|--|-------------------------|-------------------------|----------------------|----------------|
| Assets | | | | |
| Current assets: | | | | |
| Cash and investments | \$ 16,662,857 | \$ 43,203,559 | \$ (26,540,702) | (61.4%) |
| Accounts receivable, net of allowance for uncollectible accounts of \$739,339 and \$3,551,250 respectively | 51,873,175 | 48,056,332 | 3,816,843 | 7.9% |
| Inventories: | | | | |
| Fuel | 6,594,130 | 13,758,577 | (7,164,447) | (52.1%) |
| Materials and supplies | 17,897,548 | 12,546,330 | 5,351,218 | 42.7% |
| Fuel adjustment | 16,951,494 | - | 16,951,494 | - |
| Other assets and regulatory assets | 2,964,479 | 380,714 | 2,583,765 | 678.7% |
| Total current assets | 112,943,683 | 117,945,512 | (5,001,829) | (4.2%) |
| Restricted and internally designated assets: | | | | |
| Utility deposits - cash and investments | 8,474,641 | 8,476,266 | (1,625) | (0.0%) |
| Debt service - cash and investments | 22,378,986 | 19,326,538 | 3,052,448 | 15.8% |
| Rate stabilization - cash and investments | 70,134,266 | 62,631,313 | 7,502,953 | 12.0% |
| Construction fund - cash and investments | 113,220,576 | 49,784,810 | 63,435,766 | 127.4% |
| Utility plant improvement fund - cash and investments | 71,792,461 | 57,262,035 | 14,530,426 | 25.4% |
| Total restricted and internally designated assets | 286,000,930 | 197,480,962 | 88,519,968 | 44.8% |
| Noncurrent assets: | | | | |
| Net costs recoverable in future years - regulatory assets | 43,363,598 | 37,978,918 | 5,384,680 | 14.2% |
| Unamortized debt issuance costs - regulatory assets | 9,905,123 | 9,474,560 | 430,563 | 4.5% |
| Investment in The Energy Authority | 4,183,544 | 3,016,653 | 1,166,891 | 38.7% |
| Pollution remediation - regulatory asset | 7,257,018 | 8,636,143 | (1,379,125) | (16.0%) |
| Other noncurrent assets and regulatory assets | 8,471,095 | 7,588,211 | 882,884 | 11.6% |
| Pension regulatory asset | 98,958,923 | 105,575,047 | (6,616,124) | (6.3%) |
| Total noncurrent assets | 172,139,301 | 172,269,532 | (130,231) | (0.1%) |
| Capital assets: | | | | |
| Utility plant in service | 2,954,498,603 | 2,915,211,263 | 39,287,340 | 1.3% |
| Less: accumulated depreciation and amortization | (1,245,778,391) | (1,160,441,472) | (85,336,919) | 7.4% |
| | 1,708,720,212 | 1,754,769,791 | (46,049,579) | (2.6%) |
| Construction in progress | 144,453,774 | 108,879,227 | 35,574,547 | 32.7% |
| Net capital assets | 1,853,173,986 | 1,863,649,018 | (10,475,032) | (0.6%) |
| Total assets | 2,424,257,900 | 2,351,345,024 | 72,912,876 | 3.1% |
| Deferred outflows of resources: | | | | |
| Unamortized loss on refunding of bonds | 9,562,448 | 10,930,956 | (1,368,508) | (12.5%) |
| Accumulated decrease in fair value of hedging derivatives | 59,625,486 | 102,744,322 | (43,118,836) | (42.0%) |
| General Employees' Pension plan costs | 21,226,376 | 21,226,376 | - | 0.0% |
| Other post-employment benefits plan | 4,391,772 | 4,391,772 | - | 0.0% |
| Total deferred outflows of resources | 94,806,082 | 139,293,426 | (44,487,344) | (31.9%) |
| Total assets and deferred outflows of resources | \$ 2,519,063,982 | \$ 2,490,638,450 | \$ 28,425,532 | 1.1% |

Continued on next page.

Gainesville Regional Utilities
Statements of Net Position - Unaudited (concluded)
December 31, 2021 and 2020

| | December 31, 2021 | December 31, 2020 | Change (\$) | Change (%) |
|--|-------------------------|-------------------------|----------------------|----------------|
| Liabilities | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | \$ 13,897,950 | \$ 9,776,539 | \$ 4,121,411 | 42% |
| Fuels payable | 5,378,409 | 5,227,245 | 151,164 | 3% |
| Due to other funds | 4,317,512 | 5,395,140 | (1,077,628) | (20.0%) |
| Fuel adjustment | - | 6,393,644 | (6,393,644) | (100.0%) |
| Other liabilities and regulatory liabilities | 534,478 | 596,304 | (61,826) | (10.37%) |
| Total current liabilities | <u>24,128,349</u> | <u>27,388,872</u> | <u>(3,260,523)</u> | <u>(11.9%)</u> |
| Payable from restricted assets: | | | | |
| Utility deposits | 8,469,435 | 8,471,099 | (1,664) | (0.0%) |
| Accounts payable and accrued liabilities | 1,157,293 | 1,155,689 | 1,604 | 0.1% |
| Utility system revenue bonds - current | 29,260,000 | 25,685,000 | 3,575,000 | 13.9% |
| Accrued interest payable | 16,802,545 | 16,025,351 | 777,194 | 4.8% |
| Other liabilities and regulatory liabilities | 13,015 | 91,410 | (78,395) | (85.8%) |
| Total payable from restricted assets | <u>55,702,288</u> | <u>51,428,549</u> | <u>4,273,739</u> | <u>8.3%</u> |
| Long-term debt: | | | | |
| Utility system revenue bonds | 1,671,510,000 | 1,612,195,000 | 59,315,000 | 3.7% |
| Unamortized bond premium/discount | 110,350,733 | 89,589,690 | 20,761,043 | 23.2% |
| Fair value of derivative instruments | 60,596,327 | 104,628,886 | (44,032,559) | (42.1%) |
| Total long-term debt | <u>1,842,457,060</u> | <u>1,806,413,576</u> | <u>36,043,484</u> | <u>2.0%</u> |
| 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 | - | 0.0% |
| Net other post-employment benefits liability | 854,405 | 854,405 | - | 0.0% |
| Due to other funds | 102,186,631 | 108,519,131 | (6,332,500) | (5.8%) |
| Other noncurrent liabilities and regulatory liabilities | 2,148,587 | 4,628,460 | (2,479,873) | (53.6%) |
| Total noncurrent liabilities | <u>123,800,967</u> | <u>132,746,340</u> | <u>(8,945,373)</u> | <u>(6.7%)</u> |
| Total liabilities | <u>2,046,088,664</u> | <u>2,017,977,337</u> | <u>28,111,327</u> | <u>1.4%</u> |
| Deferred inflows of resources: | | | | |
| Rate stabilization | 66,879,121 | 57,885,118 | 8,994,003 | 15.5% |
| General Employees' Pension plan costs | 1,196,323 | 1,196,323 | - | 0.0% |
| Other post-employment benefits plan | 6,633,675 | 6,633,675 | - | 0.0% |
| Total deferred inflows of resources | <u>74,709,119</u> | <u>65,715,116</u> | <u>8,994,003</u> | <u>13.7%</u> |
| Net position | | | | |
| Net investment in capital assets | 170,931,657 | 204,293,937 | (33,362,280) | (16.3%) |
| Restricted | 80,620,583 | 65,304,785 | 15,315,798 | 23.5% |
| Unrestricted | 146,713,959 | 137,347,275 | 9,366,684 | 6.8% |
| Total net position | <u>398,266,199</u> | <u>406,945,997</u> | <u>(8,679,798)</u> | <u>(2.1%)</u> |
| Total liabilities, deferred inflows of resources and net position | <u>\$ 2,519,063,982</u> | <u>\$ 2,490,638,450</u> | <u>\$ 28,425,532</u> | <u>1.1%</u> |

Gainesville Regional Utilities
Statements of Revenues, Expenses, and Changes in Net Position - Unaudited
For the Periods Ended December 31, 2021 and 2020

| | <u>December 31, 2021</u> | <u>December 31, 2020</u> |
|--|--------------------------|--------------------------|
| Operating revenues: | | |
| Sales and service charges | \$ 105,764,577 | \$ 90,264,261 |
| Transfer from (to) rate stabilization | 931,861 | 267,357 |
| Amounts to be recovered from future revenue | 1,370,972 | 1,336,865 |
| Other operating revenue | 2,966,395 | 2,768,370 |
| Total operating revenues | <u>111,033,805</u> | <u>94,636,853</u> |
| Operating expenses: | | |
| Operation and maintenance | 54,158,318 | 41,679,151 |
| Administrative and general | 9,959,007 | 10,132,021 |
| Depreciation and amortization | 24,723,842 | 24,829,130 |
| Total operating expenses | <u>88,841,167</u> | <u>76,640,302</u> |
| Operating income | <u>22,192,638</u> | <u>17,996,551</u> |
| Non-operating income (expense): | | |
| Interest income | 274,723 | 312,385 |
| Interest expense, net of AFUDC | (16,586,160) | (14,466,599) |
| Other interest related income, BABs | 1,261,155 | 1,271,829 |
| Other income (expense) | (1,315,525) | (118,484) |
| Total non-operating income (expense) | <u>(16,365,807)</u> | <u>(13,000,869)</u> |
| Income before capital contributions and transfer | <u>5,826,831</u> | <u>4,995,682</u> |
| Capital contributions: | | |
| Contributions from third parties | 1,733,305 | 2,148,351 |
| Reduction of plant costs recovered through contributions | (4,339) | - |
| Net capital contributions | <u>1,728,966</u> | <u>2,148,351</u> |
| Transfer to City of Gainesville General Fund | <u>(9,070,750)</u> | <u>(9,571,250)</u> |
| Change in net position | <u>(1,514,953)</u> | <u>(2,427,217)</u> |
| Net position - beginning of year | <u>399,781,152</u> | <u>409,373,214</u> |
| Net position - end of period | <u>\$ 398,266,199</u> | <u>\$ 406,945,997</u> |

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Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended December 31, 2021 and 2020

| | <u>December 31, 2021</u> | <u>December 31, 2020</u> | <u>Change (\$)</u> | <u>Change (%)</u> |
|---|---------------------------|--------------------------|--------------------------|----------------------|
| Revenues: | | | | |
| Electric system: | | | | |
| Sales of electricity | \$ 47,537,649 | \$ 44,742,295 | \$ 2,795,354 | 6.2 |
| Fuel adjustment | 24,058,992 | 17,099,203 | 6,959,789 | 40.7 |
| Sales for resale | 2,983,172 | 936,255 | 2,046,917 | 218.6 |
| Transfer from (to) rate stabilization | 380,917 | (494,027) | 874,944 | 177.1 |
| Other revenue | 1,198,034 | 1,143,663 | 54,371 | 4.8 |
| Other income | 200,455 | 1,546,415 | (1,345,960) | (87.0) |
| Build America Bonds | 690,915 | 698,421 | (7,506) | (1.1) |
| Total electric system revenues | <u>77,050,134</u> | <u>65,672,225</u> | <u>11,377,909</u> | <u>17.3</u> |
| Water system: | | | | |
| Sales of water | 8,843,578 | 8,390,125 | 453,453 | 5.4 |
| Transfer from (to) rate stabilization | (170,244) | (221,731) | 51,487 | 23.2 |
| Other revenue | 494,266 | 303,328 | 190,938 | 62.9 |
| Other income | 30,625 | 32,922 | (2,297) | (7.0) |
| Build America Bonds | 197,303 | 198,621 | (1,318) | (0.7) |
| Total water system revenues | <u>9,395,528</u> | <u>8,703,265</u> | <u>692,263</u> | <u>8.0</u> |
| Wastewater system: | | | | |
| Sales of services | 11,370,444 | 9,899,909 | 1,470,535 | 14.9 |
| Transfer from (to) rate stabilization | 449,363 | 553,691 | (104,328) | (18.8) |
| Other revenue | 806,937 | 400,196 | 406,741 | 101.6 |
| Other income | 26,082 | 35,605 | (9,523) | (26.7) |
| Build America Bonds | 228,038 | 228,371 | (333) | (0.1) |
| Total wastewater system revenues | <u>12,880,864</u> | <u>11,117,772</u> | <u>1,763,092</u> | <u>15.9</u> |
| Gas system: | | | | |
| Sales of gas | 4,481,234 | 4,034,106 | 447,128 | 11.1 |
| Purchased gas adjustment | 4,121,208 | 2,397,172 | 1,724,036 | 71.9 |
| Transfer from (to) rate stabilization | 271,825 | (15,898) | 287,723 | 1,809.8 |
| Other revenue | 117,657 | 152,585 | (34,928) | (22.9) |
| Other income | 17,084 | 30,886 | (13,802) | (44.7) |
| Build America Bonds | 144,899 | 146,415 | (1,516) | (1.0) |
| Total gas system revenues | <u>9,153,907</u> | <u>6,745,266</u> | <u>2,408,641</u> | <u>35.7</u> |
| Telecommunications system: | | | | |
| Sales of services | 2,368,300 | 2,765,195 | (396,895) | (14.4) |
| Transfer from (to) rate stabilization | - | 445,323 | (445,323) | (100.0) |
| Other revenue | 17,420 | 6,894 | 10,526 | 152.7 |
| Other income | 8,870 | 10,039 | (1,169) | (11.6) |
| Total telecommunications system revenues | <u>2,394,590</u> | <u>3,227,451</u> | <u>(832,861)</u> | <u>(25.8)</u> |
| Total revenues | <u>110,875,023</u> | <u>95,465,979</u> | <u>15,409,044</u> | <u>16.1</u> |

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended December 31, 2021 and 2020

Page 2

| | <u>December 31, 2021</u> | <u>December 31, 2020</u> | <u>Change (\$)</u> | <u>Change (%)</u> |
|--|------------------------------|----------------------------|----------------------------|----------------------|
| OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES: | | | | |
| Electric system: | | | | |
| Fuel expenses | 24,058,992 | 17,099,203 | 6,959,789 | 40.7 |
| Operation and maintenance | 17,077,075 | 14,151,764 | 2,925,311 | 20.7 |
| Administrative and general | 7,856,318 | 7,886,344 | (30,026) | (0.4) |
| Total Electric System Expenses | <u>48,992,385</u> | <u>39,137,311</u> | <u>9,855,074</u> | <u>25.2</u> |
| Water system: | | | | |
| Operation and maintenance | 2,586,182 | 2,398,065 | 188,117 | 7.8 |
| Administrative and general | 1,209,694 | 1,231,988 | (22,294) | (1.8) |
| Total Water System Expenses | <u>3,795,876</u> | <u>3,630,053</u> | <u>165,823</u> | <u>4.6</u> |
| Wastewater system: | | | | |
| Operation and maintenance | 3,595,037 | 3,317,824 | 277,213 | 8.4 |
| Administrative and general | 1,210,364 | 1,318,078 | (107,714) | (8.2) |
| Total Wastewater System Expenses | <u>4,805,401</u> | <u>4,635,902</u> | <u>169,499</u> | <u>3.7</u> |
| Gas system: | | | | |
| Fuel expense - purchased gas | 4,121,208 | 2,397,172 | 1,724,036 | 71.9 |
| Operation and maintenance | 539,390 | 586,201 | (46,811) | (8.0) |
| Administrative and general | 575,192 | 668,539 | (93,347) | (14.0) |
| Total Gas System Expenses | <u>5,235,790</u> | <u>3,651,912</u> | <u>1,583,878</u> | <u>43.4</u> |
| Telecommunications system: | | | | |
| Operation and maintenance | 1,818,518 | 1,420,548 | 397,970 | 28.0 |
| Administrative and general | 215,797 | 293,162 | (77,365) | (26.4) |
| Total Telecommunications System Expenses | <u>2,034,315</u> | <u>1,713,710</u> | <u>320,605</u> | <u>18.7</u> |
| TOTAL EXPENSES | <u>64,863,767</u> | <u>52,768,888</u> | <u>12,094,879</u> | <u>95.5</u> |
| NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION: | | | | |
| Total electric system | 28,057,749 | 26,534,914 | 1,522,835 | 5.7 |
| Total water system | 5,599,652 | 5,073,212 | 526,440 | 10.4 |
| Total wastewater system | 8,075,463 | 6,481,870 | 1,593,593 | 24.6 |
| Total gas system | 3,918,117 | 3,093,354 | 824,763 | 26.7 |
| Total telecommunications system | 360,275 | 1,513,741 | (1,153,466) | (76.2) |
| TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION | <u>46,011,256</u> | <u>42,697,091</u> | <u>3,314,165</u> | <u>7.8</u> |
| LESS: | | | | |
| Debt service | 25,784,232 | 22,971,365 | 2,812,867 | 12.2 |
| UPIF contributions | 11,440,640 | 10,918,941 | 521,699 | 4.8 |
| Transfer to City of Gainesville General Fund | 9,070,750 | 9,571,250 | (500,500) | (5.2) |
| Transfer to debt defeasance | 1,167,799 | - | 1,167,799 | - |
| NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION) | <u>\$ (1,452,165)</u> | <u>\$ (764,465)</u> | <u>\$ (687,700)</u> | <u>(90.0)</u> |

Gainesville Regional Utilities
Electric Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended December 31, 2021 and 2020

| | <u>December 31, 2021</u> | <u>December 31, 2020</u> | <u>Change (\$)</u> | <u>Change (%)</u> |
|---|------------------------------|------------------------------|------------------------------|----------------------|
| REVENUES: | | | | |
| Residential | \$ 19,025,492 | \$ 17,659,773 | \$ 1,365,719 | 7.7 |
| Non-residential | 22,255,373 | 20,893,495 | 1,361,878 | 6.5 |
| Fuel adjustment | 24,058,992 | 17,099,203 | 6,959,789 | 40.7 |
| Sales for resale | 2,983,172 | 936,255 | 2,046,917 | 218.6 |
| Utility surcharge | 1,073,520 | 1,030,188 | 43,332 | 4.2 |
| Other electric sales | 5,183,264 | 5,158,839 | 24,425 | 0.5 |
| Total Sales of Electricity | <u>74,579,813</u> | <u>62,777,753</u> | <u>11,802,060</u> | <u>18.8</u> |
| Transfer from (to) rate stabilization | 380,917 | (494,027) | 874,944 | 177.1 |
| Other revenue | 1,198,034 | 1,143,663 | 54,371 | 4.8 |
| Other income | 200,455 | 1,546,415 | (1,345,960) | (87.0) |
| Build America Bonds | 690,915 | 698,421 | (7,506) | (1.1) |
| Total Revenues | <u>77,050,134</u> | <u>65,672,225</u> | <u>11,377,909</u> | <u>17.3</u> |
| OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES: | | | | |
| Fuel expenses | 24,058,992 | 17,099,203 | 6,959,789 | 40.7 |
| Power production | 13,319,423 | 9,318,961 | 4,000,462 | 42.9 |
| Transmission and distribution | 3,757,652 | 4,832,803 | (1,075,151) | (22.2) |
| Administrative and general | 7,856,318 | 7,886,344 | (30,026) | (0.4) |
| Total Operation, Maintenance and Administrative Expenses | <u>48,992,385</u> | <u>39,137,311</u> | <u>9,855,074</u> | <u>25.2</u> |
| TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION | <u>28,057,749</u> | <u>26,534,914</u> | <u>1,522,835</u> | <u>5.7</u> |
| LESS: | | | | |
| Debt service | 18,804,853 | 17,092,753 | 1,712,100 | 10.0 |
| UPIF contributions | 6,192,673 | 5,845,866 | 346,807 | 5.9 |
| Transfer to City of Gainesville General Fund | 5,847,092 | 5,603,967 | 243,125 | 4.3 |
| Transfer to debt defeasance | 927,994 | - | 927,994 | - |
| NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION) | <u>\$ (3,714,863)</u> | <u>\$ (2,007,672)</u> | <u>\$ (1,707,191)</u> | <u>(85.0)</u> |

Gainesville Regional Utilities
Water Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended December 31, 2021 and 2020

| | <u>December 31, 2021</u> | <u>December 31, 2020</u> | <u>Change (\$)</u> | <u>Change (%)</u> |
|---|--------------------------|--------------------------|--------------------------|---------------------|
| REVENUES: | | | | |
| Residential | \$ 5,495,401 | \$ 5,179,437 | \$ 315,964 | 6.1 |
| Non-residential | 2,682,771 | 2,591,552 | 91,219 | 3.5 |
| Utility surcharge | 665,406 | 619,136 | 46,270 | 7.5 |
| Total Sales of Water | <u>8,843,578</u> | <u>8,390,125</u> | <u>453,453</u> | <u>5.4</u> |
| Transfer from (to) rate stabilization | (170,244) | (221,731) | 51,487 | 23.2 |
| Other revenue | 494,266 | 303,328 | 190,938 | 62.9 |
| Other income | 30,625 | 32,922 | (2,297) | (7.0) |
| Build America Bonds | 197,303 | 198,621 | (1,318) | (0.7) |
| Total Revenues | <u>9,395,528</u> | <u>8,703,265</u> | <u>692,263</u> | <u>8.0</u> |
| OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES: | | | | |
| Transmission and distribution | 675,606 | 731,741 | (56,135) | (7.7) |
| Treatment | 1,910,576 | 1,666,324 | 244,252 | 14.7 |
| Administrative and general | 1,209,694 | 1,231,988 | (22,294) | (1.8) |
| Total Operation, Maintenance and Administrative Expenses | <u>3,795,876</u> | <u>3,630,053</u> | <u>165,823</u> | <u>4.6</u> |
| TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION | <u>5,599,652</u> | <u>5,073,212</u> | <u>526,440</u> | <u>10.4</u> |
| LESS: | | | | |
| Debt service | 2,170,424 | 1,894,426 | 275,998 | 14.6 |
| UPIF contributions | 1,691,406 | 1,628,838 | 62,568 | 3.8 |
| Transfer to City of Gainesville General Fund | 1,106,554 | 1,339,018 | (232,464) | (17.4) |
| Transfer to debt defeasance | 79,979 | - | 79,979 | - |
| NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION) | <u>\$ 551,289</u> | <u>\$ 210,930</u> | <u>\$ 340,359</u> | <u>161.4</u> |

Gainesville Regional Utilities
Wastewater Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended December 31, 2021 and 2020

| | <u>December 31, 2021</u> | <u>December 31, 2020</u> | <u>Change (\$)</u> | <u>Change (%)</u> |
|---|--------------------------|--------------------------|---------------------|-------------------|
| REVENUES: | | | | |
| Residential | \$ 7,682,761 | \$ 6,707,888 | \$ 974,873 | 14.5 |
| Non-residential | 2,845,283 | 2,467,433 | 377,850 | 15.3 |
| Utility surcharge | 842,400 | 724,588 | 117,812 | 16.3 |
| Total Sales of Services | <u>11,370,444</u> | <u>9,899,909</u> | <u>1,470,535</u> | <u>14.9</u> |
| Transfer from (to) rate stabilization | 449,363 | 553,691 | (104,328) | (18.8) |
| Other revenue | 806,937 | 400,196 | 406,741 | 101.6 |
| Other income | 26,082 | 35,605 | (9,523) | (26.7) |
| Build America Bonds | 228,038 | 228,371 | (333) | (0.1) |
| Total Revenues | <u>12,880,864</u> | <u>11,117,772</u> | <u>1,763,092</u> | <u>15.9</u> |
| OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES: | | | | |
| Collection | 1,323,645 | 1,173,313 | 150,332 | 12.8 |
| Treatment | 2,271,392 | 2,144,511 | 126,881 | 5.9 |
| Administrative and general | 1,210,364 | 1,318,078 | (107,714) | (8.2) |
| Total Operation, Maintenance and Administrative Expenses | <u>4,805,401</u> | <u>4,635,902</u> | <u>169,499</u> | <u>3.7</u> |
| TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION | <u>8,075,463</u> | <u>6,481,870</u> | <u>1,593,593</u> | <u>24.6</u> |
| LESS: | | | | |
| Debt service | 3,130,170 | 2,390,237 | 739,933 | 31.0 |
| UPIF contributions | 2,078,566 | 2,010,152 | 68,414 | 3.4 |
| Transfer to City of Gainesville General Fund | 1,336,701 | 1,715,168 | (378,467) | (22.1) |
| Transfer to debt defeasance | 90,643 | - | 90,643 | - |
| NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION) | <u>\$ 1,439,383</u> | <u>\$ 366,313</u> | <u>\$ 1,073,070</u> | <u>292.9</u> |

Gainesville Regional Utilities
Gas Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended December 31, 2021 and 2020

| | <u>December 31, 2021</u> | <u>December 31, 2020</u> | <u>Change (\$)</u> | <u>Change (%)</u> |
|---|--------------------------|--------------------------|--------------------|-------------------|
| REVENUES: | | | | |
| Residential | \$ 2,501,078 | \$ 2,130,439 | \$ 370,639 | 17.4 |
| Non-residential | 1,433,168 | 1,421,498 | 11,670 | 0.8 |
| Purchased gas adjustment | 4,121,208 | 2,397,172 | 1,724,036 | 71.9 |
| Utility surcharge | 167,306 | 147,368 | 19,938 | 13.5 |
| Other gas sales | 379,682 | 334,801 | 44,881 | 13.4 |
| Total Sales of Gas | 8,602,442 | 6,431,278 | 2,171,164 | 33.8 |
| Transfer from (to) rate stabilization | 271,825 | (15,898) | 287,723 | 1,809.8 |
| Other revenue | 117,657 | 152,585 | (34,928) | (22.9) |
| Other income | 17,084 | 30,886 | (13,802) | (44.7) |
| Build America Bonds | 144,899 | 146,415 | (1,516) | (1.0) |
| Total Revenues | 9,153,907 | 6,745,266 | 2,408,641 | 35.7 |
| OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES: | | | | |
| Fuel expense - purchased gas | 4,121,208 | 2,397,172 | 1,724,036 | 71.9 |
| Operation and maintenance | 539,390 | 586,201 | (46,811) | (8.0) |
| Administrative and general | 575,192 | 668,539 | (93,347) | (14.0) |
| Total Operation, Maintenance and Administrative Expenses | 5,235,790 | 3,651,912 | 1,583,878 | 43.4 |
| TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION | 3,918,117 | 3,093,354 | 824,763 | 26.7 |
| LESS: | | | | |
| Debt service | 1,185,175 | 1,114,454 | 70,721 | 6.3 |
| UPIF contributions | 1,190,605 | 1,164,797 | 25,808 | 2.2 |
| Transfer to City of Gainesville General Fund | 449,949 | 616,388 | (166,439) | (27.0) |
| Transfer to debt defeasance | 40,866 | - | 40,866 | - |
| NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION) | \$ 1,051,522 | \$ 197,715 | \$ 853,807 | 431.8 |

Gainesville Regional Utilities
Telecommunications System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended December 31, 2021 and 2020

| | <u>December 31, 2021</u> | <u>December 31, 2020</u> | <u>Change (\$)</u> | <u>Change (%)</u> |
|---|----------------------------|--------------------------|------------------------------|-----------------------|
| REVENUES: | | | | |
| Telecommunications | \$ 1,770,015 | \$ 1,949,499 | \$ (179,484) | (9.2) |
| Trunking radio | - | 261,257 | (261,257) | (100.0) |
| Tower leasing | 598,285 | 554,439 | 43,846 | 7.9 |
| Total Sales of Services | <u>2,368,300</u> | <u>2,765,195</u> | <u>(396,895)</u> | <u>(14.4)</u> |
| Transfer from (to) rate stabilization * | - | 445,323 | (445,323) | (100.0) |
| Other revenue | 17,420 | 6,894 | 10,526 | 152.7 |
| Other income | 8,870 | 10,039 | (1,169) | (11.6) |
| Total Revenues | <u>2,394,590</u> | <u>3,227,451</u> | <u>(832,861)</u> | <u>(25.8)</u> |
| OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES: | | | | |
| Operation and maintenance | 1,818,518 | 1,420,548 | 397,970 | 28.0 |
| Administrative and general | 215,797 | 293,162 | (77,365) | (26.4) |
| Total Operation, Maintenance and Administrative Expenses | <u>2,034,315</u> | <u>1,713,710</u> | <u>320,605</u> | <u>18.7</u> |
| TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION | <u>360,275</u> | <u>1,513,741</u> | <u>(1,153,466)</u> | <u>(76.2)</u> |
| LESS: | | | | |
| Debt service | 493,610 | 479,495 | 14,115 | 2.9 |
| UPIF contributions | 287,390 | 269,288 | 18,102 | 6.7 |
| Transfer to City of Gainesville General Fund | 330,454 | 296,709 | 33,745 | 11.4 |
| Transfer to debt defeasance | 28,317 | - | 28,317 | - |
| NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION) | <u>\$ (779,496)</u> | <u>\$ 468,249</u> | <u>\$ (1,247,745)</u> | <u>(266.5)</u> |

* Transfer from rate stabilization occurred as a result of the 2019 bond issue restructuring.

Supplementary Data

Gainesville Regional Utilities
Fuel Adjustment Levelization
For the Period Ended December 31, 2021

| | Actual |
|---|------------------------|
| Fuel Revenues | \$ 20,903,025 |
| Fuel Expenses | 24,058,992 |
| To (From) Fuel Adjustment Levelization | \$ (3,155,967) |
| | |
| Fuel Adjustment Beginning Balance | \$ (11,277,370) |
| To (From) Fuel Adjustment Levelization | (3,155,967) |
| Fuel Adjustment Ending Balance | \$ (14,433,337) |

Gainesville Regional Utilities
Purchased Gas Adjustment (PGA) Levelization
For the Period Ended December 31, 2021

| | Actual |
|-----------------------------------|-----------------------|
| Purchased Gas Revenues | \$ 2,526,244 |
| Purchased Gas Expenses | 4,121,208 |
| To (From) PGA Levelization | \$ (1,594,964) |
| | |
| PGA Beginning Balance | \$ (1,398,722) |
| To (From) PGA Levelization | (1,594,964) |
| PGA Ending Balance | \$ (2,993,686) |