

Gainesville Regional Utilities

Financial Statements - Unaudited

For the Year Ended September 30, 2020

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**Gainesville Regional Utilities
Financial Statements - Unaudited
For the Year Ended September 30, 2020**

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Overview and Basis of Accounting

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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 comprehensive annual financial report of the City.

We offer readers these unaudited utility system financial statements for the year ended September 30, 2020.

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.

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Financial Statements

Gainesville Regional Utilities
Statements of Net Position - Unaudited
September 30, 2020 and 2019

	September 30, 2020	September 30, 2019	Change (\$)	Change (%)
Assets				
Current assets:				
Cash and investments	\$ 34,094,741	\$ 27,505,536	\$ 6,589,205	24.0%
Accounts receivable, net of allowance for uncollectible accounts of \$3,013,752 and \$804,463, respectively	58,406,125	53,616,263	4,789,862	8.9%
Inventories:				
Fuel	17,170,962	19,720,370	(2,549,408)	(12.9%)
Materials and supplies	12,414,596	12,442,849	(28,253)	(0.2%)
Other assets and regulatory assets	1,154,085	2,132,699	(978,614)	(45.9%)
Total current assets	123,240,509	115,417,717	7,822,792	6.8%
Restricted and internally designated assets:				
Utility deposits - cash and investments	8,481,812	7,663,091	818,721	10.7%
Debt service - cash and investments	60,083,857	56,094,239	3,989,618	7.1%
Rate stabilization - cash and investments	63,350,910	56,941,703	6,409,207	11.3%
Construction fund - cash and investments	67,152,924	125,749,489	(58,596,565)	(46.6%)
Utility plant improvement fund - cash and investments	51,667,909	27,687,286	23,980,623	86.6%
Total restricted and internally designated assets	250,737,412	274,135,808	(23,398,396)	(8.5%)
Noncurrent assets:				
Net costs recoverable in future years - regulatory assets	36,642,053	31,162,525	5,479,528	17.6%
Unamortized debt issuance costs - regulatory assets	9,604,095	10,179,242	(575,147)	(5.7%)
Investment in The Energy Authority	2,958,684	2,341,379	617,305	26.4%
Pollution remediation - regulatory asset	8,940,369	10,019,649	(1,079,280)	(10.8%)
Other noncurrent assets and regulatory assets	9,574,464	7,261,215	2,313,249	31.9%
Pension regulatory asset	-	82,016,547	(82,016,547)	(100.0%)
Total noncurrent assets	67,719,665	142,980,557	(75,260,892)	(52.6%)
Capital assets:				
Utility plant in service	2,904,733,491	2,855,228,234	49,505,257	1.7%
Less: accumulated depreciation and amortization	(1,136,111,856)	(1,040,296,525)	(95,815,331)	9.2%
	1,768,621,635	1,814,931,709	(46,310,074)	(2.6%)
Construction in progress	102,778,847	71,291,430	31,487,417	44.2%
Net capital assets	1,871,400,482	1,886,223,139	(14,822,657)	(0.8%)
Total assets	2,313,098,068	2,418,757,221	(105,659,153)	(4.4%)
Deferred outflows of resources:				
Unamortized loss on refunding of bonds	11,258,300	15,155,675	(3,897,375)	(25.7%)
Accumulated decrease in fair value of hedging derivatives	120,802,265	78,573,638	42,228,627	53.7%
General Employees' Pension plan costs	21,226,376	19,288,232	1,938,144	10.0%
Other post-employment benefits plan	4,325,806	3,051,089	1,274,717	41.8%
Total deferred outflows of resources	157,612,747	116,068,634	41,544,113	35.8%
Total assets and deferred outflows of resources	\$ 2,470,710,815	\$ 2,534,825,855	\$ (64,115,040)	(2.5%)

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Gainesville Regional Utilities
Statements of Net Position - Unaudited (concluded)
September 30, 2020 and 2019

	September 30, 2020	September 30, 2019	Change (\$)	Change (%)
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 16,648,318	\$ 16,361,070	\$ 287,248	2%
Fuels payable	4,586,774	3,961,178	625,596	16%
Due to other funds	3,563,303	5,781,300	(2,217,997)	(38.4%)
Fuel adjustment	7,762,392	(2,887,595)	10,649,987	(368.8%)
Other liabilities and regulatory liabilities	798,503	1,731,816	(933,313)	(53.89%)
Total current liabilities	<u>33,359,290</u>	<u>24,947,769</u>	<u>8,411,521</u>	<u>33.7%</u>
Payable from restricted assets:				
Utility deposits	8,476,982	7,659,426	817,556	10.7%
Accounts payable and accrued liabilities	9,571,571	5,541,337	4,030,234	72.7%
Utility system revenue bonds - current	27,090,000	22,105,000	4,985,000	22.6%
Accrued interest payable	32,510,583	33,262,622	(752,039)	(2.3%)
Other liabilities and regulatory liabilities	135,664	99,542	36,122	36.3%
Total payable from restricted assets	<u>77,784,800</u>	<u>68,667,927</u>	<u>9,116,873</u>	<u>13.3%</u>
Long-term debt:				
Utility system revenue bonds	1,637,880,000	1,665,165,000	(27,285,000)	(1.6%)
Unamortized bond premium/discount	91,865,654	102,411,008	(10,545,354)	(10.3%)
Fair value of derivative instruments	123,004,284	81,099,411	41,904,873	51.7%
Total long-term debt	<u>1,852,749,938</u>	<u>1,848,675,419</u>	<u>4,074,519</u>	<u>0.2%</u>
Noncurrent liabilities:				
Reserve for insurance claims	3,337,000	3,337,000	-	0.0%
Reserve for environmental liability	841,000	841,000	-	0.0%
Net pension liability	14,566,344	99,566,813	(85,000,469)	(85.4%)
Net other post-employment benefits liability	2,624,587	5,367,982	(2,743,395)	(51.1%)
Other noncurrent liabilities and regulatory liabilities	10,092,169	4,710,311	5,381,858	114.3%
Total noncurrent liabilities	<u>31,461,100</u>	<u>113,823,106</u>	<u>(82,362,006)</u>	<u>(72.4%)</u>
Total liabilities	<u>1,995,355,128</u>	<u>2,056,114,221</u>	<u>(60,759,093)</u>	<u>(3.0%)</u>
Deferred inflows of resources:				
Rate stabilization	58,557,475	53,574,388	4,983,087	9.3%
General Employees' Pension plan costs	1,196,323	1,737,966	(541,643)	(31.2%)
Other post-employment benefits plan	6,633,675	-	6,633,675	-
Total deferred inflows of resources	<u>66,387,473</u>	<u>55,312,354</u>	<u>11,075,119</u>	<u>20.0%</u>
Net position				
Net investment in capital assets	192,217,500	241,821,913	(241,821,913)	(100.0%)
Restricted and internally designated	84,041,134	53,894,035	(53,894,035)	(100.0%)
Unrestricted	132,709,580	127,683,332	(127,683,332)	(100.0%)
Total net position	<u>408,968,214</u>	<u>423,399,280</u>	<u>(14,431,066)</u>	<u>(3.4%)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 2,470,710,815</u>	<u>\$ 2,534,825,855</u>	<u>\$ (64,115,040)</u>	<u>(2.5%)</u>

Gainesville Regional Utilities
Statements of Revenues, Expenses, and Changes in Net Position - Unaudited
For the Years Ended September 30, 2020 and 2019

	<u>September 30, 2020</u>	<u>September 30, 2019</u>
Operating revenues:		
Sales and service charges	\$ 370,167,945	\$ 384,777,714
Transfers from (to) rate stabilization	(4,983,087)	4,954,864
Amounts to be recovered from future revenue	5,479,529	18,071,378
Other operating revenue	19,500,709	8,888,944
Total operating revenues	<u>390,165,096</u>	<u>416,692,900</u>
Operating expenses:		
Operation and maintenance	178,555,049	197,073,619
Administrative and general	32,371,679	35,489,040
Depreciation and amortization	101,046,520	97,336,684
Total operating expenses	<u>311,973,248</u>	<u>329,899,343</u>
Operating income	<u>78,191,848</u>	<u>86,793,557</u>
Non-operating income (expense):		
Interest income	3,039,395	4,774,240
Interest expense, net of AFUDC	(62,588,476)	(62,247,527)
Other interest related income, BABs	5,154,906	5,211,950
Other expense	(7,582,534)	(9,029,009)
Total non-operating income (expense)	<u>(61,976,709)</u>	<u>(61,290,346)</u>
Income before capital contributions and transfer	<u>16,215,139</u>	<u>25,503,211</u>
Capital contributions:		
Contributions from third parties	7,778,464	4,154,415
Reduction of plant costs recovered through contributions	(139,669)	(183,434)
Net capital contributions	<u>7,638,795</u>	<u>3,970,981</u>
Transfer to City of Gainesville General Fund	<u>(38,285,000)</u>	<u>(38,285,001)</u>
Change in net position	<u>(14,431,066)</u>	<u>(8,810,809)</u>
Net position - beginning of year	423,399,280	432,210,089
Net position - end of period	<u>\$ 408,968,214</u>	<u>\$ 423,399,280</u>

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Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2020 and 2019

	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Electric system:				
Sales of electricity	\$ 190,052,637	\$ 183,010,003	\$ 7,042,634	3.8
Fuel adjustment	67,538,540	86,839,936	(19,301,396)	(22.2)
Sales for resale	3,805,969	4,774,197	(968,228)	(20.3)
Transfer from/(to) rate stabilization	(3,135,466)	(185,720)	(2,949,746)	(1,588.3)
Other revenue	9,539,021	1,942,310	7,596,711	391.1
Other income	3,572,047	4,721,426	(1,149,379)	(24.3)
Build America Bonds	2,836,450	2,873,052	(36,602)	(1.3)
Total electric system revenues	<u>274,209,198</u>	<u>283,975,204</u>	<u>(9,766,006)</u>	<u>(3.4)</u>
Water system:				
Sales of water	35,515,133	35,135,406	379,727	1.1
Transfer from/(to) rate stabilization	(2,759,970)	(1,434,068)	(1,325,902)	(92.5)
Other revenue	3,018,221	1,783,599	1,234,622	69.2
Other income	716,561	503,016	213,545	42.5
Build America Bonds	803,844	811,634	(7,790)	(1.0)
Total water system revenues	<u>37,293,789</u>	<u>36,799,587</u>	<u>494,202</u>	<u>1.3</u>
Wastewater system:				
Sales of wastewater	40,372,682	40,278,404	94,278	0.2
Transfer from/(to) rate stabilization	(2,813,421)	(2,165,512)	(647,909)	(29.9)
Other revenue	6,193,942	3,812,266	2,381,676	62.5
Other income	745,926	424,708	321,218	75.6
Build America Bonds	920,185	925,348	(5,163)	(0.6)
Total wastewater system revenues	<u>45,419,314</u>	<u>43,275,214</u>	<u>2,144,100</u>	<u>5.0</u>
Gas system:				
Sales of gas	15,279,466	15,358,452	(78,986)	(0.5)
Purchased gas adjustment	6,132,442	8,169,312	(2,036,870)	(24.9)
Transfer from/(to) rate stabilization	1,930,678	5,632,993	(3,702,315)	(65.7)
Other revenue (expense)	395,413	(76,221)	471,634	618.8
Other income	453,673	393,160	60,513	15.4
Build America Bonds	594,428	601,916	(7,488)	(1.2)
Total gas system revenues	<u>24,786,100</u>	<u>30,079,612</u>	<u>(5,293,512)</u>	<u>(17.6)</u>
Telecommunications system:				
Sales of services	11,471,073	11,198,871	272,202	2.4
Transfer from/(to) rate stabilization	1,795,092	471,447	1,323,645	280.8
Other revenue (expense)	40,944	(205,414)	246,358	119.9
Other income	44,665	197,688	(153,023)	(77.4)
Total telecommunications system revenues	<u>13,351,774</u>	<u>11,662,592</u>	<u>1,689,182</u>	<u>14.5</u>
Total revenues	<u>395,060,175</u>	<u>405,792,209</u>	<u>(10,732,034)</u>	<u>(2.6)</u>

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2020 and 2019
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	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>Change (\$)</u>	<u>Change (%)</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Electric system:				
Fuel expenses	67,538,540	86,839,936	(19,301,396)	(22.2)
Operation and maintenance	67,473,533	65,945,893	1,527,640	2.3
Administrative and general	21,472,442	22,819,661	(1,347,219)	(5.9)
Total Electric System Expenses	156,484,515	175,605,490	(19,120,975)	(10.9)
Water system:				
Operation and maintenance	11,258,256	11,789,254	(530,998)	(4.5)
Administrative and general	6,871,279	5,955,344	915,935	15.4
Total Water System Expenses	18,129,535	17,744,598	384,937	2.2
Wastewater system:				
Operation and maintenance	14,598,152	14,650,837	(52,685)	(0.4)
Administrative and general	7,056,092	5,885,522	1,170,570	19.9
Total Wastewater System Expenses	21,654,244	20,536,359	1,117,885	5.4
Gas system:				
Fuel expense - purchased gas	6,132,442	8,169,312	(2,036,870)	(24.9)
Operation and maintenance	2,629,563	2,472,059	157,504	6.4
Administrative and general	2,800,091	3,209,833	(409,742)	(12.8)
Total Gas System Expenses	11,562,096	13,851,204	(2,289,108)	(16.5)
Telecommunications system:				
Operation and maintenance	7,775,419	6,017,776	1,757,643	29.2
Administrative and general	1,007,025	1,371,700	(364,675)	(26.6)
Total Telecommunications System Expenses	8,782,444	7,389,476	1,392,968	18.9
TOTAL EXPENSES	216,612,834	235,127,127	(18,514,293)	(1.0)
NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION:				
Total electric system	117,724,683	108,369,714	9,354,969	8.6
Total water system	19,164,254	19,054,989	109,265	0.6
Total wastewater system	23,765,070	22,738,855	1,026,215	4.5
Total gas system	13,224,004	16,228,408	(3,004,404)	(18.5)
Total telecommunications system	4,569,330	4,273,116	296,214	6.9
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	178,447,341	170,665,082	7,782,259	4.6
LESS:				
Debt service	96,305,070	91,095,672	5,209,398	5.7
UPIF contributions	43,857,271	41,284,409	2,572,862	6.2
Transfer to City of Gainesville General Fund	38,285,000	38,285,001	(1)	(0.0)
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ -	\$ -	\$ -	-

Gainesville Regional Utilities
Electric Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2020 and 2019

	September 30, 2020	September 30, 2019	Change (\$)	Change (%)
REVENUES:				
Residential	\$ 77,945,688	\$ 72,753,116	\$ 5,192,572	7.1
Non-residential	87,961,847	86,272,732	1,689,115	2.0
Fuel adjustment	67,538,540	86,839,936	(19,301,396)	(22.2)
Sales for resale	3,805,969	4,774,197	(968,228)	(20.3)
Utility surcharge	4,499,414	4,466,504	32,910	0.7
Other electric sales	19,645,688	19,517,651	128,037	0.7
Total Sales of Electricity	261,397,146	274,624,136	(13,226,990)	(4.8)
Transfer from/(to) rate stabilization	(3,135,466)	(185,720)	(2,949,746)	(1,588.3)
Other revenue	9,539,021	1,942,310	7,596,711	391.1
Other income	3,572,047	4,721,426	(1,149,379)	(24.3)
Build America Bonds	2,836,450	2,873,052	(36,602)	(1.3)
Total Revenues	274,209,198	283,975,204	(9,766,006)	(3.4)
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Fuel expenses	67,538,540	86,839,936	(19,301,396)	(22.2)
Power production	44,662,358	45,716,984	(1,054,626)	(2.3)
Transmission and distribution	22,811,175	20,228,909	2,582,266	12.8
Administrative and general	21,472,442	22,819,661	(1,347,219)	(5.9)
Total Operation, Maintenance and Administrative Expenses	156,484,515	175,605,490	(19,120,975)	(10.9)
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	117,724,683	108,369,714	9,354,969	8.6
LESS:				
Debt service	74,129,440	69,583,183	4,546,257	6.5
UPIF contributions	21,179,375	22,870,663	(1,691,288)	(7.4)
Transfer to City of Gainesville General Fund	22,415,868	15,915,868	6,500,000	40.8
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ -	\$ -	\$ -	-

Gainesville Regional Utilities
Water Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2020 and 2019

	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>Change (\$)</u>	<u>Change (%)</u>
REVENUES:				
Residential	\$ 21,854,359	\$ 21,370,730	\$ 483,629	2.3
Non-residential	11,020,935	11,173,770	(152,835)	(1.4)
Utility surcharge	2,639,839	2,590,906	48,933	1.9
Total Sales of Water	35,515,133	35,135,406	379,727	1.1
Transfer from/(to) rate stabilization	(2,759,970)	(1,434,068)	(1,325,902)	(92.5)
Other revenue	3,018,221	1,783,599	1,234,622	69.2
Other income	716,561	503,016	213,545	42.5
Build America Bonds	803,844	811,634	(7,790)	(1.0)
Total Revenues	37,293,789	36,799,587	494,202	1.3
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Transmission and distribution	3,059,094	3,446,966	(387,872)	(11.3)
Treatment	8,199,162	8,342,288	(143,126)	(1.7)
Administrative and general	6,871,279	5,955,344	915,935	15.4
Total Operation, Maintenance and Administrative Expenses	18,129,535	17,744,598	384,937	2.2
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	19,164,254	19,054,989	109,265	0.6
LESS:				
Debt service	7,013,941	6,904,026	109,915	1.6
UPIF contributions	6,794,242	6,794,891	(649)	(0.0)
Transfer to City of Gainesville General Fund	5,356,071	5,356,072	(1)	(0.0)
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ -	\$ -	\$ -	-

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Gainesville Regional Utilities
Wastewater Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2020 and 2019

	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>Change (\$)</u>	<u>Change (%)</u>
REVENUES:				
Residential	\$ 27,375,089	\$ 26,493,074	\$ 882,015	3.3
Non-residential	10,016,640	10,898,265	(881,625)	(8.1)
Utility surcharge	2,980,953	2,887,065	93,888	3.3
Total Sales of Services	40,372,682	40,278,404	94,278	0.2
Transfer from/(to) rate stabilization	(2,813,421)	(2,165,512)	(647,909)	(29.9)
Other revenue	6,193,942	3,812,266	2,381,676	62.5
Other income	745,926	424,708	321,218	75.6
Build America Bonds	920,185	925,348	(5,163)	(0.6)
Total Revenues	45,419,314	43,275,214	2,144,100	5.0
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Collection	5,046,202	4,757,906	288,296	6.1
Treatment	9,551,950	9,892,931	(340,981)	(3.4)
Administrative and general	7,056,092	5,885,522	1,170,570	19.9
Total Operation, Maintenance and Administrative Expenses	21,654,244	20,536,359	1,117,885	5.4
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	23,765,070	22,738,855	1,026,215	4.5
LESS:				
Debt service	8,560,982	8,079,167	481,815	6.0
UPIF contributions	8,343,416	8,799,016	(455,600)	(5.2)
Transfer to City of Gainesville General Fund	6,860,672	5,860,672	1,000,000	17.1
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ -	\$ -	\$ -	-

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Gainesville Regional Utilities
Gas Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2020 and 2019

	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>Change (\$)</u>	<u>Change (%)</u>
REVENUES:				
Residential	\$ 8,101,115	\$ 8,124,802	\$ (23,687)	(0.3)
Non-residential	5,387,465	5,428,619	(41,154)	(0.8)
Fuel adjustment	6,132,442	8,169,312	(2,036,870)	(24.9)
Utility surcharge	544,628	532,997	11,631	2.2
Other gas sales	1,246,258	1,272,034	(25,776)	(2.0)
Total Sales of Gas	<u>21,411,908</u>	<u>23,527,764</u>	<u>(2,115,856)</u>	<u>(9.0)</u>
Transfer from/(to) rate stabilization	1,930,678	5,632,993	(3,702,315)	(65.7)
Other revenue (expense)	395,413	(76,221)	471,634	618.8
Other income	453,673	393,160	60,513	15.4
Build America Bonds	594,428	601,916	(7,488)	(1.2)
Total Revenues	<u>24,786,100</u>	<u>30,079,612</u>	<u>(5,293,512)</u>	<u>(17.6)</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Fuel expense - purchased gas	6,132,442	8,169,312	(2,036,870)	(24.9)
Operation and maintenance	2,629,563	2,472,059	157,504	6.4
Administrative and general	2,800,091	3,209,833	(409,742)	(12.8)
Total Operation, Maintenance and Administrative Expenses	<u>11,562,096</u>	<u>13,851,204</u>	<u>(2,289,108)</u>	<u>(16.5)</u>
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	<u>13,224,004</u>	<u>16,228,408</u>	<u>(3,004,404)</u>	<u>(18.5)</u>
LESS:				
Debt service	4,108,988	3,902,061	206,927	5.3
UPIF contributions	6,649,462	2,360,793	4,288,669	181.7
Transfer to City of Gainesville General Fund	2,465,554	9,965,554	(7,500,000)	(75.3)
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

**Gainesville Regional Utilities
Telecommunications System**
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2020 and 2019

	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>Change (\$)</u>	<u>Change (%)</u>
REVENUES:				
Telecommunications	\$ 7,749,855	\$ 7,737,841	\$ 12,014	0.2
Trunking radio	1,678,920	1,672,251	6,669	0.4
Tower leasing	2,042,298	1,788,779	253,519	14.2
Total Sales of Services	<u>11,471,073</u>	<u>11,198,871</u>	<u>272,202</u>	<u>2.4</u>
Transfer from/(to) rate stabilization	1,795,092	471,447	1,323,645	280.8
Other revenue (expense)	40,944	(205,414)	246,358	119.9
Other income	44,665	197,688	(153,023)	(77.4)
Total Revenues	<u>13,351,774</u>	<u>11,662,592</u>	<u>1,689,182</u>	<u>14.5</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Operation and maintenance	7,775,419	6,017,776	1,757,643	29.2
Administrative and general	1,007,025	1,371,700	(364,675)	(26.6)
Total Operation, Maintenance and Administrative Expenses	<u>8,782,444</u>	<u>7,389,476</u>	<u>1,392,968</u>	<u>18.9</u>
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	<u>4,569,330</u>	<u>4,273,116</u>	<u>296,214</u>	<u>6.9</u>
LESS:				
Debt service	2,491,719	2,627,235	(135,516)	(5.2)
UPIF contributions	890,776	459,046	431,730	94.0
Transfer to City of Gainesville General Fund	1,186,835	1,186,835	-	-
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

* The telecommunications system has incurred intercompany loans of \$4.8 million as of September 30, 2020, and is scheduled to draw down additional rate stabilization cash during fiscal year 2021 of \$1.8 million

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Supplementary Data

**Gainesville Regional Utilities
 Fuel Adjustment Levelization
 For the Period Ended September 30, 2020**

	Actual
Fuel Revenues	\$ 77,013,929
Fuel Expenses	67,538,540
To (From) Fuel Adjustment Levelization	\$ 9,475,389
Fuel Adjustment Beginning Balance	\$ (2,843,816)
To (From) Fuel Adjustment Levelization	9,475,389
Fuel Adjustment Ending Balance	\$ 6,631,573

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Gainesville Regional Utilities
Purchased Gas Adjustment (PGA) Levelization
For the Period Ended September 30, 2020

	Actual
Purchased Gas Revenues	\$ 7,307,040
Purchased Gas Expenses	6,132,442
To (From) PGA Levelization	\$ 1,174,598
PGA Beginning Balance	\$ (43,779)
To (From) PGA Levelization	1,174,598
PGA Ending Balance	\$ 1,130,819

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