

Gainesville Regional Utilities

Financial Statements - Unaudited

For the Year Ended September 30, 2021



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For the Year Ended September 30, 2021

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Overview and Basis of Accounting

Gainesville Regional Utilities Financial Statements - Unaudited For the Year Ended September 30, 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 September 30, 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
September 30, 2021 and 2020

	September 30, 2021	September 30, 2020	Change (\$)	Change (%)
Assets				
Current assets:				
Cash and investments	\$ 24,866,712	\$ 34,499,741	\$ (9,633,029)	(27.9%)
Accounts receivable, net of allowance for uncollectible accounts of \$667,744 and \$3,013,752 respectively	58,012,001	58,406,125	(394,124)	(0.7%)
Inventories:				
Fuel	7,416,127	17,170,962	(9,754,835)	(56.8%)
Materials and supplies	13,734,798	12,414,596	1,320,202	10.6%
Fuel adjustment	12,676,092	-	12,676,092	-
Other assets and regulatory assets	1,356,520	1,154,085	202,435	17.5%
Total current assets	118,062,250	123,645,509	(5,583,259)	(4.5%)
Restricted and internally designated assets:				
Utility deposits - cash and investments	8,411,696	8,481,812	(70,116)	(0.8%)
Debt service - cash and investments	58,412,082	60,083,857	(1,671,775)	(2.8%)
Debt defeasance - cash and investments	7,407,309	-	7,407,309	-
Rate stabilization - cash and investments	72,566,935	62,945,910	9,621,025	15.3%
Construction fund - cash and investments	125,707,236	67,152,924	58,554,312	87.2%
Utility plant improvement fund - cash and investments	66,319,739	51,667,909	14,651,830	28.4%
Total restricted and internally designated assets	338,824,997	250,332,412	88,492,585	35.4%
Noncurrent assets:				
Net costs recoverable in future years - regulatory assets	41,992,626	36,642,053	5,350,573	14.6%
Unamortized debt issuance costs - regulatory assets	10,016,680	9,604,095	412,585	4.3%
Investment in The Energy Authority	4,083,312	2,958,684	1,124,628	38.0%
Pollution remediation - regulatory asset	7,599,827	8,940,369	(1,340,542)	(15.0%)
Other noncurrent assets and regulatory assets	7,648,121	7,738,316	(90,195)	(1.2%)
Pension regulatory asset	99,704,257	105,575,047	(5,870,790)	(5.6%)
Total noncurrent assets	171,044,823	171,458,564	(413,741)	(0.2%)
Capital assets:				
Utility plant in service	2,952,151,221	2,904,733,491	47,417,730	1.6%
Less: accumulated depreciation and amortization	(1,221,153,540)	(1,136,111,856)	(85,041,684)	7.5%
	1,730,997,681	1,768,621,635	(37,623,954)	(2.1%)
Construction in progress	132,543,930	102,778,847	29,765,083	29.0%
Net capital assets	1,863,541,611	1,871,400,482	(7,858,871)	(0.4%)
Total assets	2,491,473,681	2,416,836,967	74,636,714	3.1%
Deferred outflows of resources:				
Unamortized loss on refunding of bonds	9,854,061	11,258,300	(1,404,239)	(12.5%)
Accumulated decrease in fair value of hedging derivatives	67,932,403	120,802,265	(52,869,862)	(43.8%)
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	103,404,612	157,678,713	(54,274,101)	(34.4%)
Total assets and deferred outflows of resources	\$ 2,594,878,293	\$ 2,574,515,680	\$ 20,362,613	0.8%

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Gainesville Regional Utilities
Statements of Net Position - Unaudited (concluded)
September 30, 2021 and 2020

	September 30, 2021	September 30, 2020	Change (\$)	Change (%)
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 15,407,511	\$ 16,648,318	\$ (1,240,807)	(7.5%)
Fuels payable	9,214,700	4,586,774	4,627,926	101%
Due to other funds	5,698,029	6,082,928	(384,899)	(6.3%)
Fuel adjustment	-	7,762,392	(7,762,392)	(100.0%)
Other liabilities and regulatory liabilities	898,439	798,503	99,936	12.5%
Total current liabilities	<u>31,218,679</u>	<u>35,878,915</u>	<u>(4,660,236)</u>	<u>(13.0%)</u>
Payable from restricted assets:				
Utility deposits	8,406,491	8,476,982	(70,491)	(0.8%)
Accounts payable and accrued liabilities	6,823,415	9,571,571	(2,748,156)	(28.7%)
Utility system revenue bonds - current	25,685,000	27,090,000	(1,405,000)	(5.2%)
Accrued interest payable	32,517,758	32,510,583	7,175	0.0%
Other liabilities and regulatory liabilities	17,870	135,664	(117,794)	(86.8%)
Total payable from restricted assets	<u>73,450,534</u>	<u>77,784,800</u>	<u>(4,334,266)</u>	<u>(5.6%)</u>
Long-term debt:				
Utility system revenue bonds	1,707,955,000	1,637,880,000	70,075,000	4.3%
Unamortized bond premium/discount	112,666,439	91,865,654	20,800,785	22.6%
Fair value of derivative instruments	69,065,664	123,004,284	(53,938,620)	(43.9%)
Total long-term debt	<u>1,889,687,103</u>	<u>1,852,749,938</u>	<u>36,937,165</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	3,447,466	4,628,460	(1,180,994)	(25.5%)
Total noncurrent liabilities	<u>125,099,846</u>	<u>132,746,340</u>	<u>(7,646,494)</u>	<u>(5.8%)</u>
Total liabilities	<u>2,119,456,162</u>	<u>2,099,159,993</u>	<u>20,296,169</u>	<u>1.0%</u>
Deferred inflows of resources:				
Rate stabilization	67,810,981	58,152,475	9,658,506	16.6%
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>75,640,979</u>	<u>65,982,473</u>	<u>9,658,506</u>	<u>14.6%</u>
Net position				
Net investment in capital assets	153,562,427	192,217,500	(38,655,073)	(20.1%)
Restricted	96,967,806	84,031,134	12,936,672	15.4%
Unrestricted	149,250,919	133,124,580	16,126,339	12.1%
Total net position	<u>399,781,152</u>	<u>409,373,214</u>	<u>(9,592,062)</u>	<u>(2.3%)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 2,594,878,293</u>	<u>\$ 2,574,515,680</u>	<u>\$ 20,362,613</u>	<u>0.8%</u>

Gainesville Regional Utilities
Statements of Revenues, Expenses, and Changes in Net Position - Unaudited
For the Periods Ended September 30, 2021 and 2020

	September 30, 2021	September 30, 2020
Operating revenues:		
Sales and service charges	\$ 399,240,362	\$ 370,167,945
Transfer from (to) rate stabilization	(9,658,506)	(4,578,087)
Amounts to be recovered from future revenue	5,350,573	5,479,529
Other operating revenue	15,256,161	19,500,709
Total operating revenues	410,188,590	390,570,096
Operating expenses:		
Operation and maintenance	200,660,484	178,555,049
Administrative and general	30,300,590	32,371,679
Depreciation and amortization	100,355,464	101,046,520
Total operating expenses	331,316,538	311,973,248
Operating income	78,872,052	78,596,848
Non-operating income (expense):		
Interest income	1,093,496	3,039,395
Interest expense, net of AFUDC	(57,801,796)	(62,588,476)
Other interest related income, BABs	5,112,590	5,154,906
Other income (expense)	(2,792,815)	(7,582,534)
Total non-operating income (expense)	(54,388,525)	(61,976,709)
Income before capital contributions and transfer	24,483,527	16,620,139
Capital contributions:		
Contributions from third parties	4,455,329	7,778,464
Reduction of plant costs recovered through contributions	(245,918)	(139,669)
Net capital contributions	4,209,411	7,638,795
Transfer to City of Gainesville General Fund	(38,285,000)	(38,285,000)
Change in net position	(9,592,062)	(14,026,066)
Net position - beginning of year	409,373,214	423,399,280
Net position - end of period	\$ 399,781,152	\$ 409,373,214

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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, 2021 and 2020

	<u>September 30, 2021</u>	<u>September 30, 2020</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Electric system:				
Sales of electricity	\$ 191,604,968	\$ 190,052,637	\$ 1,552,331	0.8
Fuel adjustment	89,150,789	67,538,540	21,612,249	32.0
Sales for resale	6,088,836	3,805,969	2,282,867	60.0
Transfer from (to) rate stabilization	(8,132,539)	(2,918,305)	(5,214,234)	(178.7)
Other revenue	6,063,878	9,539,021	(3,475,143)	(36.4)
Other income	3,972,407	3,572,047	400,360	11.2
Build America Bonds	2,807,604	2,836,450	(28,846)	(1.0)
Total electric system revenues	<u>291,555,943</u>	<u>274,426,359</u>	<u>17,129,584</u>	<u>6.2</u>
Water system:				
Sales of water	34,873,633	35,515,133	(641,500)	(1.8)
Transfer from (to) rate stabilization	(3,102,023)	(2,699,220)	(402,803)	(14.9)
Other revenue	2,413,942	3,018,221	(604,279)	(20.0)
Other income	335,066	716,561	(381,495)	(53.2)
Build America Bonds	798,424	803,844	(5,420)	(0.7)
Total water system revenues	<u>35,319,042</u>	<u>37,354,539</u>	<u>(2,035,497)</u>	<u>(5.4)</u>
Wastewater system:				
Sales of services	40,462,982	40,372,682	90,300	0.2
Transfer from (to) rate stabilization	(108,463)	(2,730,032)	2,621,569	96.0
Other revenue	3,181,320	6,193,942	(3,012,622)	(48.6)
Other income	492,121	745,926	(253,805)	(34.0)
Build America Bonds	917,984	920,185	(2,201)	(0.2)
Total wastewater system revenues	<u>44,945,944</u>	<u>45,502,703</u>	<u>(556,759)</u>	<u>(1.2)</u>
Gas system:				
Sales of gas	16,321,566	15,279,466	1,042,100	6.8
Purchased gas adjustment	9,225,895	6,132,442	3,093,453	50.4
Transfer from (to) rate stabilization	(603,339)	1,963,645	(2,566,984)	(130.7)
Other revenue	561,447	395,413	166,034	42.0
Other income	209,094	453,673	(244,579)	(53.9)
Build America Bonds	588,578	594,428	(5,850)	(1.0)
Total gas system revenues	<u>26,303,241</u>	<u>24,819,067</u>	<u>1,484,174</u>	<u>6.0</u>
Telecommunications system:				
Sales of services	11,483,392	11,471,073	12,319	0.1
Transfer from (to) rate stabilization	2,287,858	1,805,825	482,033	26.7
Other revenue	82,844	40,944	41,900	102.3
Other income	92,145	44,665	47,480	106.3
Total telecommunications system revenues	<u>13,946,239</u>	<u>13,362,507</u>	<u>583,732</u>	<u>4.4</u>
Total revenues	<u>412,070,409</u>	<u>395,465,175</u>	<u>16,605,234</u>	<u>4.2</u>

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2021 and 2020

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	<u>September 30, 2021</u>	<u>September 30, 2020</u>	<u>Change (\$)</u>	<u>Change (%)</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Electric system:				
Fuel expenses	89,150,789	67,538,540	21,612,249	32.0
Operation and maintenance	64,261,258	67,473,533	(3,212,275)	(4.8)
Administrative and general	19,452,758	21,472,442	(2,019,684)	(9.4)
Total Electric System Expenses	<u>172,864,805</u>	<u>156,484,515</u>	<u>16,380,290</u>	<u>10.5</u>
Water system:				
Operation and maintenance	10,590,625	11,258,256	(667,631)	(5.9)
Administrative and general	4,622,440	6,871,279	(2,248,839)	(32.7)
Total Water System Expenses	<u>15,213,065</u>	<u>18,129,535</u>	<u>(2,916,470)</u>	<u>(16.1)</u>
Wastewater system:				
Operation and maintenance	14,992,919	14,598,152	394,767	2.7
Administrative and general	4,501,501	7,056,092	(2,554,591)	(36.2)
Total Wastewater System Expenses	<u>19,494,420</u>	<u>21,654,244</u>	<u>(2,159,824)</u>	<u>(10.0)</u>
Gas system:				
Fuel expense - purchased gas	9,225,895	6,132,442	3,093,453	50.4
Operation and maintenance	2,561,881	2,629,563	(67,682)	(2.6)
Administrative and general	2,695,453	2,800,091	(104,638)	(3.7)
Total Gas System Expenses	<u>14,483,229</u>	<u>11,562,096</u>	<u>2,921,133</u>	<u>25.3</u>
Telecommunications system:				
Operation and maintenance	8,627,203	7,775,419	851,784	11.0
Administrative and general	941,714	1,007,025	(65,311)	(6.5)
Total Telecommunications System Expenses	<u>9,568,917</u>	<u>8,782,444</u>	<u>786,473</u>	<u>9.0</u>
TOTAL EXPENSES	<u>231,624,436</u>	<u>216,612,834</u>	<u>15,011,602</u>	<u>18.6</u>
NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION:				
Total electric system	118,691,138	117,941,844	749,294	0.6
Total water system	20,105,977	19,225,004	880,973	4.6
Total wastewater system	25,451,524	23,848,459	1,603,065	6.7
Total gas system	11,820,012	13,256,971	(1,436,959)	(10.8)
Total telecommunications system	4,377,322	4,580,063	(202,741)	(4.4)
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	<u>180,445,973</u>	<u>178,852,341</u>	<u>1,593,632</u>	<u>0.9</u>
LESS:				
Debt service	92,207,499	96,710,070	(4,502,571)	(4.7)
UPIF contributions	43,675,766	43,857,271	(181,505)	(0.4)
Transfer to City of Gainesville General Fund	38,285,000	38,285,000	-	-
Transfer to debt defeasance	6,277,708	-	6,277,708	-
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

Gainesville Regional Utilities
Electric Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2021 and 2020

	<u>September 30, 2021</u>	<u>September 30, 2020</u>	<u>Change (\$)</u>	<u>Change (%)</u>
REVENUES:				
Residential	\$ 78,269,929	\$ 77,945,688	\$ 324,241	0.4
Non-residential	88,623,552	87,961,847	661,705	0.8
Fuel adjustment	89,150,789	67,538,540	21,612,249	32.0
Sales for resale	6,088,836	3,805,969	2,282,867	60.0
Utility surcharge	4,474,308	4,499,414	(25,106)	(0.6)
Other electric sales	20,237,179	19,645,688	591,491	3.0
Total Sales of Electricity	<u>286,844,593</u>	<u>261,397,146</u>	<u>25,447,447</u>	<u>9.7</u>
Transfer from (to) rate stabilization	(8,132,539)	(2,918,305)	(5,214,234)	(178.7)
Other revenue	6,063,878	9,539,021	(3,475,143)	(36.4)
Other income	3,972,407	3,572,047	400,360	11.2
Build America Bonds	2,807,604	2,836,450	(28,846)	(1.0)
Total Revenues	<u>291,555,943</u>	<u>274,426,359</u>	<u>17,129,584</u>	<u>6.2</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Fuel expenses	89,150,789	67,538,540	21,612,249	32.0
Power production	43,747,457	44,662,358	(914,901)	(2.0)
Transmission and distribution	20,513,801	22,811,175	(2,297,374)	(10.1)
Administrative and general	19,452,758	21,472,442	(2,019,684)	(9.4)
Total Operation, Maintenance and Administrative Expenses	<u>172,864,805</u>	<u>156,484,515</u>	<u>16,380,290</u>	<u>10.5</u>
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	<u>118,691,138</u>	<u>117,941,844</u>	<u>749,294</u>	<u>0.6</u>
LESS:				
Debt service	68,266,348	74,346,601	(6,080,253)	(8.2)
UPIF contributions	23,383,465	21,179,375	2,204,090	10.4
Transfer to City of Gainesville General Fund	22,415,868	22,415,868	-	-
Transfer to debt defeasance	4,625,457	-	4,625,457	-
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

Gainesville Regional Utilities
Water Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2021 and 2020

	<u>September 30, 2021</u>	<u>September 30, 2020</u>	<u>Change (\$)</u>	<u>Change (%)</u>
REVENUES:				
Residential	\$ 21,496,210	\$ 21,854,359	\$ (358,149)	(1.6)
Non-residential	10,796,782	11,020,935	(224,153)	(2.0)
Utility surcharge	2,580,641	2,639,839	(59,198)	(2.2)
Total Sales of Water	<u>34,873,633</u>	<u>35,515,133</u>	<u>(641,500)</u>	<u>(1.8)</u>
Transfer from (to) rate stabilization	(3,102,023)	(2,699,220)	(402,803)	(14.9)
Other revenue	2,413,942	3,018,221	(604,279)	(20.0)
Other income	335,066	716,561	(381,495)	(53.2)
Build America Bonds	798,424	803,844	(5,420)	(0.7)
Total Revenues	<u>35,319,042</u>	<u>37,354,539</u>	<u>(2,035,497)</u>	<u>(5.4)</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Transmission and distribution	3,249,935	3,059,094	190,841	6.2
Treatment	7,340,690	8,199,162	(858,472)	(10.5)
Administrative and general	4,622,440	6,871,279	(2,248,839)	(32.7)
Total Operation, Maintenance and Administrative Expenses	<u>15,213,065</u>	<u>18,129,535</u>	<u>(2,916,470)</u>	<u>(16.1)</u>
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	<u>20,105,977</u>	<u>19,225,004</u>	<u>880,973</u>	<u>4.6</u>
LESS:				
Debt service	7,671,377	7,074,691	596,686	8.4
UPIF contributions	6,515,350	6,794,242	(278,892)	(4.1)
Transfer to City of Gainesville General Fund	5,356,071	5,356,071	-	-
Transfer to debt defeasance	563,179	-	563,179	-
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

Gainesville Regional Utilities
Wastewater Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2021 and 2020

	<u>September 30, 2021</u>	<u>September 30, 2020</u>	<u>Change (\$)</u>	<u>Change (%)</u>
REVENUES:				
Residential	\$ 27,256,272	\$ 27,375,089	\$ (118,817)	(0.4)
Non-residential	10,248,733	10,016,640	232,093	2.3
Utility surcharge	2,957,977	2,980,953	(22,976)	(0.8)
Total Sales of Services	<u>40,462,982</u>	<u>40,372,682</u>	<u>90,300</u>	<u>0.2</u>
Transfer from (to) rate stabilization	(108,463)	(2,730,032)	2,621,569	96.0
Other revenue	3,181,320	6,193,942	(3,012,622)	(48.6)
Other income	492,121	745,926	(253,805)	(34.0)
Build America Bonds	917,984	920,185	(2,201)	(0.2)
Total Revenues	<u>44,945,944</u>	<u>45,502,703</u>	<u>(556,759)</u>	<u>(1.2)</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Collection	5,749,338	5,046,202	703,136	13.9
Treatment	9,243,581	9,551,950	(308,369)	(3.2)
Administrative and general	4,501,501	7,056,092	(2,554,591)	(36.2)
Total Operation, Maintenance and Administrative Expenses	<u>19,494,420</u>	<u>21,654,244</u>	<u>(2,159,824)</u>	<u>(10.0)</u>
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	<u>25,451,524</u>	<u>23,848,459</u>	<u>1,603,065</u>	<u>6.7</u>
LESS:				
Debt service	9,892,337	8,644,371	1,247,966	14.4
UPIF contributions	8,040,610	8,343,416	(302,806)	(3.6)
Transfer to City of Gainesville General Fund	6,860,672	6,860,672	-	-
Transfer to debt defeasance	657,905	-	657,905	-
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

Gainesville Regional Utilities
Gas Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Years Ended September 30, 2021 and 2020

	<u>September 30, 2021</u>	<u>September 30, 2020</u>	<u>Change (\$)</u>	<u>Change (%)</u>
REVENUES:				
Residential	\$ 8,696,592	\$ 8,101,115	\$ 595,477	7.4
Non-residential	5,677,683	5,387,465	290,218	5.4
Purchased gas adjustment	9,225,895	6,132,442	3,093,453	50.4
Utility surcharge	589,094	544,628	44,466	8.2
Other gas sales	1,358,197	1,246,258	111,939	9.0
Total Sales of Gas	<u>25,547,461</u>	<u>21,411,908</u>	<u>4,135,553</u>	<u>19.3</u>
Transfer from (to) rate stabilization	(603,339)	1,963,645	(2,566,984)	(130.7)
Other revenue	561,447	395,413	166,034	42.0
Other income	209,094	453,673	(244,579)	(53.9)
Build America Bonds	588,578	594,428	(5,850)	(1.0)
Total Revenues	<u>26,303,241</u>	<u>24,819,067</u>	<u>1,484,174</u>	<u>6.0</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Fuel expense - purchased gas	9,225,895	6,132,442	3,093,453	50.4
Operation and maintenance	2,561,881	2,629,563	(67,682)	(2.6)
Administrative and general	2,695,453	2,800,091	(104,638)	(3.7)
Total Operation, Maintenance and Administrative Expenses	<u>14,483,229</u>	<u>11,562,096</u>	<u>2,921,133</u>	<u>25.3</u>
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	<u>11,820,012</u>	<u>13,256,971</u>	<u>(1,436,959)</u>	<u>(10.8)</u>
LESS:				
Debt service	4,467,960	4,141,955	326,005	7.9
UPIF contributions	4,659,189	6,649,462	(1,990,273)	(29.9)
Transfer to City of Gainesville General Fund	2,465,554	2,465,554	-	-
Transfer to debt defeasance	227,309	-	227,309	-
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, 2021 and 2020

	<u>September 30, 2021</u>	<u>September 30, 2020</u>	<u>Change (\$)</u>	<u>Change (%)</u>
REVENUES:				
Telecommunications	\$ 7,328,015	\$ 7,749,855	\$ (421,840)	(5.4)
Trunking radio	2,708,633	1,678,920	1,029,713	61.3
Tower leasing	1,446,744	2,042,298	(595,554)	(29.2)
Total Sales of Services	<u>11,483,392</u>	<u>11,471,073</u>	<u>12,319</u>	<u>0.1</u>
Transfer from (to) rate stabilization *	2,287,858	1,805,825	482,033	26.7
Other revenue	82,844	40,944	41,900	102.3
Other income	92,145	44,665	47,480	106.3
Total Revenues	<u>13,946,239</u>	<u>13,362,507</u>	<u>583,732</u>	<u>4.4</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:				
Operation and maintenance	8,627,203	7,775,419	851,784	11.0
Administrative and general	941,714	1,007,025	(65,311)	(6.5)
Total Operation, Maintenance and Administrative Expenses	<u>9,568,917</u>	<u>8,782,444</u>	<u>786,473</u>	<u>9.0</u>
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	<u>4,377,322</u>	<u>4,580,063</u>	<u>(202,741)</u>	<u>(4.4)</u>
LESS:				
Debt service	1,909,477	2,502,452	(592,975)	(23.7)
UPIF contributions	1,077,152	890,776	186,376	20.9
Transfer to City of Gainesville General Fund	1,186,835	1,186,835	-	-
Transfer to debt defeasance	203,858	-	203,858	-
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</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 September 30, 2021

	Actual
Fuel Revenues	\$ 71,241,845
Fuel Expenses	89,150,789
To (From) Fuel Adjustment Levelization	\$ (17,908,943)
Fuel Adjustment Beginning Balance	\$ 6,631,573
To (From) Fuel Adjustment Levelization	(17,908,943)
Fuel Adjustment Ending Balance	\$ (11,277,370)

Gainesville Regional Utilities
Purchased Gas Adjustment (PGA) Levelization
For the Period Ended September 30, 2021

	Actual
Purchased Gas Revenues	\$ 6,696,354
Purchased Gas Expenses	9,225,895
To (From) PGA Levelization	\$ (2,529,541)
PGA Beginning Balance	\$ 1,130,819
To (From) PGA Levelization	(2,529,541)
PGA Ending Balance	\$ (1,398,722)