

Gainesville Regional Utilities

Financial Statements - Unaudited

For the Period Ended June 30, 2023



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For the Period Ended June 30, 2023

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Overview and Basis of Accounting

Gainesville Regional Utilities Financial Statements - Unaudited For the Period Ended June 30, 2023

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, 2023.

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, 2023 and 2022

	June 30, 2023	June 30, 2022	Change (\$)	Change (%)
Assets				
Current assets:				
Cash and investments	\$ 40,854,818	\$ 16,750,877	\$ 24,103,941	143.9%
Accounts receivable, net of allowance for uncollectible accounts of \$5,649,289 and \$6,217,043 respectively	64,328,099	61,133,018	3,195,081	5.2%
Inventories:				
Fuel	18,401,062	7,832,927	10,568,135	134.9%
Materials and supplies	35,010,627	23,983,879	11,026,748	46.0%
Fuel and purchased gas adjustment	-	20,404,159	(20,404,159)	(100.0%)
Other assets and regulatory assets	6,751,346	6,796,918	(45,572)	(0.7%)
Total current assets	165,345,952	136,901,778	28,444,174	20.8%
Restricted and internally designated assets:				
Utility deposits - cash and investments	8,184,743	8,735,986	(551,243)	(6.3%)
Debt service - cash and investments	43,811,093	38,919,743	4,891,350	12.6%
Debt defeasance - cash and investments	2,263,153	1,160,993	1,102,160	94.9%
Fuel hedges - cash and investments	13,660,126	8,069,346	5,590,780	8.6%
Rate stabilization - cash and investments	46,927,167	65,307,073	(18,379,906)	(21.5%)
Construction fund - cash and investments	181,303,356	85,352,113	95,951,243	172.2%
Utility plant improvement fund - cash and investments	48,701,638	55,719,814	(7,018,176)	-
Total restricted and internally designated assets	344,851,276	263,265,068	81,586,208	31.0%
Noncurrent assets:				
Net costs recoverable in future years - regulatory assets	49,749,053	45,998,514	3,750,539	8.2%
Long-term lease receivable	20,180,491	-	20,180,491	-
Unamortized debt issuance costs - regulatory assets	9,683,259	9,941,953	(258,694)	(2.6%)
Swaps termination fees - regulatory asset	29,344,155	30,230,906	(886,751)	(2.9%)
Fair value of derivative instruments	45,094,896	41,411,350	3,683,546	8.9%
Investment in The Energy Authority	8,210,220	7,571,422	638,798	8.4%
Pollution remediation - regulatory asset	5,538,752	6,634,179	(1,095,427)	(16.5%)
Other noncurrent assets and regulatory assets	10,775,635	10,228,176	547,459	5.4%
Pension regulatory asset	106,222,006	91,660,850	14,561,156	15.9%
Net pension asset - restricted	-	42,996,046	(42,996,046)	(100.0%)
Net other post employment benefits asset - restricted	-	3,308,962	(3,308,962)	(100.0%)
Total noncurrent assets	284,798,467	289,982,358	(5,183,891)	(1.8%)
Capital assets:				
Utility plant in service	3,076,765,359	3,025,016,085	51,749,274	1.7%
Right-of-use Asset	758,738	-	758,738	(0.1%)
Less: accumulated depreciation and amortization	(1,388,403,528)	(1,289,794,293)	(98,609,235)	-
	1,689,120,569	1,735,221,792	(46,101,223)	(2.7%)
Construction in progress	154,177,921	110,678,277	43,499,644	39.3%
Net capital assets	1,843,298,490	1,845,900,069	(2,601,579)	(0.1%)
Total assets	2,638,294,185	2,536,049,273	102,244,912	4.0%
Deferred outflows of resources:				
Unamortized loss on refunding of bonds	6,955,125	8,988,730	(2,033,605)	(22.6%)
Accumulated decrease in fair value of hedging derivative	11,912,067	10,840,820	1,071,247	9.9%
General Employees' Pension plan costs	77,722,261	4,297,375	73,424,886	1708.6%
Other post-employment benefits plan	7,207,036	875,006	6,332,030	723.7%
Total deferred outflows of resources	103,796,489	25,001,931	78,794,558	315.2%
Total assets and deferred outflows of resources	\$ 2,742,090,674	\$ 2,561,051,204	\$ 181,039,470	7.1%

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Gainesville Regional Utilities
Statements of Net Position - Unaudited (concluded)
June 30, 2023 and 2022

	June 30, 2023	June 30, 2022	Change (\$)	Change (%)
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 11,740,607	\$ 12,426,488	\$ (685,881)	(5.5%)
Fuels payable	5,505,586	17,655,241	(12,149,655)	(68.8%)
Due to other funds	6,554,694	4,262,435	2,292,259	54%
Fuel and purchased gas adjustment	5,108,436	-	5,108,436	-
Other liabilities and regulatory liabilities	1,567,957	1,175,262	392,695	33.4%
Total current liabilities	30,477,280	35,519,426	(5,042,146)	(14.2%)
Payable from restricted assets:				
Utility deposits	8,277,339	8,730,781	(453,442)	(5.2%)
Accounts payable and accrued liabilities	1,808,496	1,250,409	558,087	44.6%
Utility system revenue bonds - current	35,680,000	30,425,000	5,255,000	17.3%
Accrued interest payable	15,739,645	15,740,713	(1,068)	(0.0%)
Other liabilities and regulatory liabilities	41,923	1,751	40,172	2294.2%
Total payable from restricted assets	61,547,403	56,148,654	5,398,749	9.6%
Long-term debt:				
Utility system revenue bonds	1,813,435,000	1,700,840,000	112,595,000	6.6%
Long-term liability - leases	357,168	-	357,168	0.3%
Unamortized bond premium/discount	94,685,662	105,602,928	(10,917,266)	-
Fair value of derivative instruments	851,213	-	851,213	-
Total long-term debt	1,909,329,043	1,806,442,928	102,886,115	5.7%
Noncurrent liabilities:				
Reserve for insurance claims	1,960,000	3,337,000	(1,377,000)	(41.3%)
Reserve for environmental liability	708,000	708,000	-	0.0%
Net pension liability	80,909,530	-	80,909,530	-
Net other post-employment benefits liability	4,193,523	-	4,193,523	-
Due to other funds	102,159,843	102,186,631	(26,788)	(0.0%)
Other noncurrent liabilities and regulatory liabilities	1,975,645	1,385,067	590,578	42.6%
Total noncurrent liabilities	191,906,541	107,616,698	84,289,843	78.3%
Total liabilities	2,193,260,267	2,005,727,706	187,532,561	9.3%
Deferred inflows of resources:				
Rate stabilization	61,212,591	63,017,235	(1,804,644)	(2.9%)
Accumulated increase in fair value of hedging derivative	56,364,089	41,893,493	14,470,596	34.5%
General Employees' Pension plan costs	45,300	36,022,306	(35,977,006)	(99.9%)
Other post-employment benefits plan	5,755,669	8,772,114	(3,016,445)	(34.4%)
Leases	21,373,099	-	21,373,099	-
Total deferred inflows of resources	144,750,748	149,705,148	(4,954,400)	(3.3%)
Net position				
Net investment in capital assets	91,093,171	108,756,433	(17,663,262)	(16.2%)
Restricted	62,389,369	127,497,465	(65,108,096)	(51.1%)
Unrestricted	250,597,119	169,364,452	81,232,667	48.0%
Total net position	404,079,659	405,618,350	(1,538,691)	(0.4%)
Total liabilities, deferred inflows of resources and net position	\$ 2,742,090,674	\$ 2,561,051,204	\$ 181,039,470	7.1%

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Gainesville Regional Utilities
Statements of Revenues, Expenses, and Changes in Net Position - Unaudited
For the Periods Ended June 30, 2023 and 2022

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Operating revenues:		
Sales and service charges	\$ 319,945,637	\$ 335,882,004
Transfer from (to) rate stabilization	(7,676,761)	2,795,582
Amounts to be recovered from future revenue	2,448,355	4,005,888
Other operating revenue	13,204,484	15,859,294
Total operating revenues	<u>327,921,715</u>	<u>358,542,768</u>
Operating expenses:		
Operation and maintenance	170,467,013	182,111,014
Administrative and general	31,701,639	25,519,640
Depreciation and amortization	76,866,990	76,877,630
Total operating expenses	<u>279,035,642</u>	<u>284,508,284</u>
Operating income	<u>48,886,073</u>	<u>74,034,484</u>
Non-operating income (expense):		
Interest income	2,638,740	1,116,560
Interest expense	(46,584,098)	(48,463,883)
Other interest related income, BABs	3,698,327	3,761,792
Other income (expense)	1,230,306	(4,980,728)
Total non-operating income (expense)	<u>(39,016,725)</u>	<u>(48,566,259)</u>
Income before capital contributions and transfer	<u>9,869,348</u>	<u>25,468,225</u>
Capital contributions:		
Contributions from third parties	340,895	8,440,600
Reduction of plant costs recovered through contributions	(15,202)	(39,002)
Net capital contributions	<u>325,693</u>	<u>8,401,598</u>
General fund transfer		
Transfer to City of Gainesville General Fund	(25,712,250)	(27,212,250)
Total general fund transfer	<u>(25,712,250)</u>	<u>(27,212,250)</u>
Change in net position	(15,517,209)	6,657,573
Net position - beginning of year	419,596,868	398,960,777
Net position - end of period	<u>\$ 404,079,659</u>	<u>\$ 405,618,350</u>

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2023 and 2022

	June 30, 2023	June 30, 2022	Change (\$)	Change (%)
Revenues:				
Electric system:				
Sales of electricity	\$ 147,075,839	\$ 147,381,948	\$ (306,109)	(0.2)
Fuel adjustment	78,817,204	86,409,605	(7,592,401)	(8.8)
Sales for resale	-	6,872,373	(6,872,373)	(100.0)
Transfer from (to) rate stabilization	(2,817,381)	1,142,751	(3,960,132)	(346.5)
Other revenue	3,652,153	4,881,436	(1,229,283)	(25.2)
Other income	4,237,880	1,294,686	2,943,194	227.3
Build America Bonds	2,021,439	2,061,033	(39,594)	(1.9)
Total electric system revenues	232,987,134	250,043,832	(17,056,698)	(6.8)
Water system:				
Sales of water	26,425,560	26,925,621	(500,061)	(1.9)
Transfer from (to) rate stabilization	(2,281,150)	(510,731)	(1,770,419)	(346.6)
Other revenue	3,693,782	3,011,953	681,829	22.6
Other income	286,917	135,982	150,935	111.0
Build America Bonds	579,577	588,484	(8,907)	(1.5)
Total water system revenues	28,704,686	30,151,309	(1,446,623)	(4.8)
Wastewater system:				
Sales of services	35,503,121	34,038,887	1,464,234	4.3
Transfer from (to) rate stabilization	(2,578,230)	1,348,088	(3,926,318)	(291.3)
Other revenue	4,750,557	5,867,683	(1,117,126)	(19.0)
Other income	271,831	111,114	160,717	144.6
Build America Bonds	673,208	680,039	(6,831)	(1.0)
Total wastewater system revenues	38,620,487	42,045,811	(3,425,324)	(8.1)
Gas system:				
Sales of gas	12,067,312	12,884,960	(817,648)	(6.3)
Purchased gas adjustment	10,936,275	12,289,735	(1,353,460)	(11.0)
Transfer from (to) rate stabilization	-	815,474	(815,474)	(100.0)
Other revenue	295,686	377,389	(81,703)	(21.6)
Other income	166,566	79,391	87,175	109.8
Build America Bonds	424,102	432,236	(8,134)	(1.9)
Total gas system revenues	23,889,941	26,879,185	(2,989,244)	(11.1)
Telecommunications system:				
Sales of services	9,120,326	9,078,873	41,453	0.5
Other revenue	40,214	52,665	(12,451)	(23.6)
Other income	49,601	42,433	7,168	16.9
Total telecommunications system revenues	9,210,141	9,173,971	36,170	0.4
Total revenues	333,412,389	358,294,108	(24,881,719)	(6.9)

**Sales for resale in FY23 are included with fuel adjustment

Gainesville Regional Utilities
Combined Utility Systems
Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2023 and 2022
Page 2

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Operation, maintenance, and administrative expenses:				
Electric system:				
Fuel expenses	78,817,204	86,409,605	(7,592,401)	(8.8)
Operation and maintenance	47,415,483	52,988,658	(5,573,175)	(10.5)
Administrative and general	20,320,640	17,912,616	2,408,024	13.4
Total electric system expenses	<u>146,553,327</u>	<u>157,310,879</u>	<u>(10,757,552)</u>	<u>(6.8)</u>
Water system:				
Operation and maintenance	9,533,159	9,188,895	344,264	3.7
Administrative and general	4,874,531	3,883,038	991,493	25.5
Total water system expenses	<u>14,407,690</u>	<u>13,071,933</u>	<u>1,335,757</u>	<u>10.2</u>
Wastewater system:				
Operation and maintenance	13,457,524	11,963,625	1,493,899	12.5
Administrative and general	4,850,568	4,065,233	785,335	19.3
Total wastewater system expenses	<u>18,308,092</u>	<u>16,028,858</u>	<u>2,279,234</u>	<u>14.2</u>
Gas system:				
Fuel expense - purchased gas	10,936,275	12,289,735	(1,353,460)	(11.0)
Operation and maintenance	2,386,871	1,874,168	512,703	27.4
Administrative and general	2,673,044	1,956,296	716,748	36.6
Total gas system expenses	<u>15,996,190</u>	<u>16,120,199</u>	<u>(124,009)</u>	<u>(0.8)</u>
Telecommunications system:				
Operation and maintenance	7,016,286	6,390,443	625,843	9.8
Administrative and general	667,910	904,111	(236,201)	(26.1)
Total telecommunications system expenses	<u>7,684,196</u>	<u>7,294,554</u>	<u>389,642</u>	<u>5.3</u>
Total expenses	<u>202,949,495</u>	<u>209,826,423</u>	<u>(6,876,928)</u>	<u>22.2</u>
Net revenues in accordance with bond resolution				
Total electric system	86,433,807	92,732,953	(6,299,146)	(6.8)
Total water system	14,296,996	17,079,376	(2,782,380)	(16.3)
Total wastewater system	20,312,395	26,016,953	(5,704,558)	(21.9)
Total gas system	7,893,751	10,758,986	(2,865,235)	(26.6)
Total telecommunications system	1,525,945	1,879,417	(353,472)	(18.8)
Total net revenues in accordance with bond resolution	<u>130,462,894</u>	<u>148,467,685</u>	<u>(18,004,791)</u>	<u>(12.1)</u>
Less transfer to other funds:				
Debt service	78,371,353	75,332,443	3,038,910	4.0
UPIF contributions	34,654,658	34,321,919	332,739	1.0
Transfer to City of Gainesville General Fund	25,712,250	27,212,250	(1,500,000)	(5.5)
Transfer from City of Gainesville General Fund for county streetlights	(600,000)	-	(600,000)	-
Transfer to debt defeasance	3,505,192	3,503,396	1,796	0.1
Net impact to rate stabilization - addition (reduction)	<u>\$ (11,180,559)</u>	<u>\$ 8,097,677</u>	<u>\$ (19,278,236)</u>	<u>(238.1)</u>

Gainesville Regional Utilities
Electric Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2023 and 2022

	June 30, 2023	June 30, 2022	Change (\$)	Change (%)
Revenues:				
Residential	\$ 57,622,887	\$ 59,077,078	\$ (1,454,191)	(2.5)
Non-residential	69,762,274	69,256,498	505,776	0.7
Fuel adjustment	78,817,204	86,409,605	(7,592,401)	(8.8)
Sales for resale	-	6,872,373	(6,872,373)	(100.0)
Utility surcharge	3,239,880	3,355,978	(116,098)	(3.5)
Other electric sales	16,450,798	15,692,394	758,404	4.8
Total sales of electricity	225,893,043	240,663,926	(14,770,883)	(6.1)
Transfer from (to) rate stabilization	(2,817,381)	1,142,751	(3,960,132)	(346.5)
Other revenue	3,652,153	4,881,436	(1,229,283)	(25.2)
Other income	4,237,880	1,294,686	2,943,194	227.3
Build America Bonds	2,021,439	2,061,033	(39,594)	(1.9)
Total revenues	232,987,134	250,043,832	(17,056,698)	(6.8)
Operation, maintenance, and administrative expenses:				
Fuel expenses	78,817,204	86,409,605	(7,592,401)	(8.8)
Power production	34,824,415	40,507,550	(5,683,135)	(14.0)
Transmission and distribution	12,591,068	12,481,108	109,960	0.9
Administrative and general	20,320,640	17,912,616	2,408,024	13.4
Total operation, maintenance, and administrative expenses	146,553,327	157,310,879	(10,757,552)	(6.8)
Total net revenues in accordance with bond resolution	86,433,807	92,732,953	(6,299,146)	(6.8)
Less transfer to other funds:				
Debt service	56,102,828	54,169,699	1,933,129	3.6
UPIF contributions	20,512,005	18,578,018	1,933,987	10.4
Transfer to City of Gainesville General Fund	16,733,532	17,541,277	(807,745)	(4.6)
Transfer from City of Gainesville General Fund for county streetlights	(600,000)	-	(600,000)	-
Transfer to debt defeasance	2,785,268	2,783,983	1,285	0.0
Net impact to rate stabilization - addition (reduction)	\$ (9,099,826)	\$ (340,024)	\$ (8,759,802)	(2,576.2)

**Sales for resale in FY23 are included with fuel adjustment

Gainesville Regional Utilities
Water Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2023 and 2022

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Revenues:				
Residential	\$ 16,045,240	\$ 16,547,195	\$ (501,955)	(3.0)
Non-residential	8,461,954	8,333,370	128,584	1.5
Utility surcharge	1,918,366	2,045,056	(126,690)	(6.2)
Total sales of water	26,425,560	26,925,621	(500,061)	(1.9)
Transfer from (to) rate stabilization	(2,281,150)	(510,731)	(1,770,419)	(346.6)
Other revenue	3,693,782	3,011,953	681,829	22.6
Other income	286,917	135,982	150,935	111.0
Build America Bonds	579,577	588,484	(8,907)	(1.5)
Total revenues	28,704,686	30,151,309	(1,446,623)	(4.8)
Operation, maintenance, and administrative expenses:				
Transmission and distribution	2,220,169	2,343,827	(123,658)	(5.3)
Treatment	7,312,990	6,845,068	467,922	6.8
Administrative and general	4,874,531	3,883,038	991,493	25.5
Total operation, maintenance, and administrative expenses	14,407,690	13,071,933	1,335,757	10.2
Total net revenues in accordance with bond resolution	14,296,996	17,079,376	(2,782,380)	(16.3)
Less transfer to other funds:				
Debt service	6,948,675	6,594,779	353,896	5.4
UPIF contributions	4,778,485	5,074,219	(295,734)	(5.8)
Transfer to City of Gainesville General Fund	3,034,045	3,319,663	(285,618)	(8.6)
Transfer to debt defeasance	240,155	239,936	219	0.1
Net impact to rate stabilization - addition (reduction)	\$ (704,364)	\$ 1,850,779	\$ (2,555,143)	(138.1)

Gainesville Regional Utilities
Wastewater Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2023 and 2022

	June 30, 2023	June 30, 2022	Change (\$)	Change (%)
Revenues:				
Residential	\$ 23,309,160	\$ 22,604,549	\$ 704,611	3.1
Non-residential	9,642,750	8,915,747	727,003	8.2
Utility surcharge	2,551,211	2,518,591	32,620	1.3
Total sales of services	35,503,121	34,038,887	1,464,234	4.3
Transfer from (to) rate stabilization	(2,578,230)	1,348,088	(3,926,318)	(291.3)
Other revenue	4,750,557	5,867,683	(1,117,126)	(19.0)
Other income	271,831	111,114	160,717	144.6
Build America Bonds	673,208	680,039	(6,831)	(1.0)
Total revenues	38,620,487	42,045,811	(3,425,324)	(8.1)
Operation, maintenance, and administrative expenses:				
Collection	5,121,887	4,330,308	791,579	18.3
Treatment	8,335,637	7,633,317	702,320	9.2
Administrative and general	4,850,568	4,065,233	785,335	19.3
Total operation, maintenance, and administrative expenses	18,308,092	16,028,858	2,279,234	14.2
Total net revenues in accordance with bond resolution	20,312,395	26,016,953	(5,704,558)	(21.9)
Less transfer to other funds:				
Debt service	9,743,456	9,474,935	268,521	2.8
UPIF contributions	5,718,870	6,235,697	(516,827)	(8.3)
Transfer to City of Gainesville General Fund	3,630,570	4,010,101	(379,531)	(9.5)
Transfer to debt defeasance	272,102	271,930	172	0.1
Net impact to rate stabilization - addition (reduction)	\$ 947,397	\$ 6,024,290	\$ (5,076,893)	(84.3)

Gainesville Regional Utilities
Gas Utility System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2023 and 2022

	June 30, 2023	June 30, 2022	Change (\$)	Change (%)
Revenues:				
Residential	\$ 6,394,583	\$ 6,903,595	\$ (509,012)	(7.4)
Non-residential	4,220,241	4,403,229	(182,988)	(4.2)
Purchased gas adjustment	10,936,275	12,289,735	(1,353,460)	(11.0)
Utility surcharge	445,624	476,041	(30,417)	(6.4)
Other gas sales	1,006,864	1,102,095	(95,231)	(8.6)
Total sales of gas	23,003,587	25,174,695	(2,171,108)	(8.6)
Transfer from (to) rate stabilization	-	815,474	(815,474)	(100.0)
Other revenue	295,686	377,389	(81,703)	(21.6)
Other income	166,566	79,391	87,175	109.8
Build America Bonds	424,102	432,236	(8,134)	(1.9)
Total revenues	23,889,941	26,879,185	(2,989,244)	(11.1)
Operation, maintenance, and administrative expenses:				
Fuel expense - purchased gas	10,936,275	12,289,735	(1,353,460)	(11.0)
Operation and maintenance	2,386,871	1,874,168	512,703	27.4
Administrative and general	2,673,044	1,956,296	716,748	36.6
Total operation, maintenance, and administrative expenses	15,996,190	16,120,199	(124,009)	(0.8)
Total net revenues in accordance with bond resolution	7,893,751	10,758,986	(2,865,235)	(26.6)
Less transfer to other funds:				
Debt service	3,737,921	3,580,770	157,151	4.4
UPIF contributions	2,627,760	3,571,816	(944,056)	(26.4)
Transfer to City of Gainesville General Fund	1,373,034	1,349,848	23,186	1.7
Transfer to debt defeasance	122,661	122,598	63	0.1
Net impact to rate stabilization - addition (reduction)	\$ 32,375	\$ 2,133,954	\$ (2,101,579)	(98.5)

Gainesville Regional Utilities
Telecommunications System
Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited
For the Periods Ended June 30, 2023 and 2022

	June 30, 2023	June 30, 2022	Change (\$)	Change (%)
Revenues:				
Telecommunications	\$ 5,495,914	\$ 5,326,456	\$ 169,458	3.2
Trunking radio	1,989,796	2,105,549	(115,753)	(5.5)
Tower leasing	1,634,616	1,646,868	(12,252)	(0.7)
Total sales of services	9,120,326	9,078,873	41,453	0.5
Other revenue	40,214	52,665	(12,451)	(23.6)
Other income	49,601	42,433	7,168	16.9
Total revenues	9,210,141	9,173,971	36,170	0.4
Operation, maintenance, and administrative expenses:				
Operation and maintenance	7,016,286	6,390,443	625,843	9.8
Administrative and general	667,910	904,111	(236,201)	(26.1)
Total operation, maintenance, and administrative expenses	7,684,196	7,294,554	389,642	5.3
Total net revenues in accordance with bond resolution	1,525,945	1,879,417	(353,472)	(18.8)
Less transfer to other funds:				
Debt service	1,838,473	1,512,260	326,213	21.6
UPIF contributions	1,017,538	862,169	155,369	18.0
Transfer to City of Gainesville General Fund	941,069	991,361	(50,292)	(5.1)
Transfer to debt defeasance	85,006	84,949	57	0.1
Net impact to rate stabilization - addition (reduction)	\$ (2,356,141)	\$ (1,571,322)	\$ (784,819)	(49.9)

Supplementary Data

Gainesville Regional Utilities
Fuel Adjustment Levelization
For the Period Ended June 30, 2023

	<u>Actual</u>
Fuel Revenues	\$ 103,610,454
Fuel Expenses	<u>78,817,204</u>
To (From) Fuel Adjustment Levelization	<u>\$ 24,793,250</u>
Fuel Adjustment Beginning Balance	\$ (21,118,305)
To (From) Fuel Adjustment Levelization	<u>24,793,250</u>
Fuel Adjustment Ending Balance	<u>\$ 3,674,945</u>

Gainesville Regional Utilities
Purchased Gas Adjustment (PGA) Levelization
For the Period Ended June 30, 2023

	<u>Actual</u>
Purchased Gas Revenues	\$ 15,071,439
Purchased Gas Expenses	<u>10,936,275</u>
To (From) PGA Levelization	<u>\$ 4,135,164</u>
PGA Beginning Balance	\$ (2,701,673)
To (From) PGA Levelization	<u>4,135,164</u>
PGA Ending Balance	<u>\$ 1,433,491</u>