

# **Gainesville Regional Utilities**

**Interim Financial Statements - Unaudited**

**For the Period Ended March 31, 2015**



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# **Overview and Basis of Accounting**

**Gainesville Regional Utilities**  
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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. GRU is required to follow the provisions in the Amended and Restated Utilities System Revenue Bond Resolution (Resolution) adopted by the City on January 30, 2003.

We offer readers these abbreviated unaudited utility system interim financial statements for the period ended March 31, 2015.

**Basis of Accounting**

GRU's electric 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 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 competition or regulatory action, 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 operating and maintenance expense, rate stabilization, debt service, and other revenue requirements, which exclude depreciation expense and other noncash 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.

# **Management's Discussion and Analysis**

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**Management's Discussion and Analysis**

We offer readers of GRU's financial statements this management's discussion and analysis of the financial activities of GRU for the period ended March 31, 2015. It should be read in conjunction with the unaudited interim financial statements that follow this section.

**Financial Highlights**

Overall

- In December 2014, GRU issued \$69 million in new utility system revenue bonds, retiring \$32.6 million of higher interest rate utility system revenue bonds issued in 2005 and 2008. Also in December 2014, the utility issued \$8 million in new commercial paper. The funds will be used in accordance with GRU's capital improvement plan.
- The combined systems added to rate stabilization \$469,000 for the period ended March 31, 2015, in addition to budgeted transfers to and from rate stabilization.
- Accounts receivable decreased \$7.9 million due to normal cycle billings.
- Debt service cash and investments decreased \$19.7 million or 49.8% due to scheduled principal and interest payments on 10/1/2014.
- Construction fund cash and investments increased \$34.8 million or 120% due to a combination of increases for new utilities system revenue bonds and commercial paper issued in December 2014 and decreases for capital projects.
- Utility plant improvement fund increased \$12 million or 30.7% due to scheduled contributions.
- Net costs recoverable in future years increased \$8.5 million and capital lease-current portion decreased by \$8.3 million due to capital lease transactional activity.
- Construction work in progress increased \$19.5 million due primarily to major projects such as the Paynes Prairies Sheetflow project yet to be capitalized.

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- Fuel adjustment levelization balance decreased \$9.2 million or 58.2% due to increased fuel costs and property tax payments related to the Gainesville Renewable Energy Center (GREC) biomass plant.

Electric System

- Residential sales were \$2.2 million or 9.8% less than the same period last year due to reductions in base rates.
- General service and large power sales were \$2 million or 6.5% less than the same period last year due to reductions in base rates.
- Fuel adjustment revenue increased \$17.5 million or 28.7% over the same period last year due to the GREC biomass plant in direct proportion to expenses incurred. Fuel adjustment revenue is matched to fuel expenses with amounts over collected deferred in the fuel adjustment levelization balance and amounts under collected drawn down from the fuel adjustment levelization balance.
- Other revenues increased \$2.5 million or 48.1% over the same period last year due to the sale of the Energy System Control Center, the restatement of revenue accruals and reimbursement of Crystal River Unit No. 3 operations & maintenance expenses.
- Retail and purchased power fuel expenses increased \$17.5 million or 28.7% over the same period last year due to GREC beginning production in December 2013 as well as a \$7.8 million payment of property taxes for the biomass plant in November 2014. Fuel expenses are matched to fuel revenue with amounts over collected deferred in the fuel adjustment levelization balance and amounts under collected drawn down from the fuel adjustment levelization balance.
- Administrative and general expenses were lower by \$1.3 million or 13.7% compared to the same period last year. This decrease is primarily due to Other Post Employment Benefit (OPEB) Bonds redeemed during fiscal year 2014.
- The electric system withdrew \$839,000 from rate stabilization for the period ended March 31, 2015, in addition to budgeted transfers to and from rate stabilization.



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Water System

- Total revenues decreased \$988,000 or 6.4% due to an increase in contributions to rate stabilization compared to the prior year.
- The water system withdrew \$822,000 from rate stabilization for the period ended March 31, 2015, in addition to budgeted transfers to and from rate stabilization.

Wastewater System

- Total revenues decreased \$217,000 or 1.2% due primarily to an increase in contributions to rate stabilization compared to the prior year.
- The wastewater system contributed \$43,000 to rate stabilization for the period ended March 31, 2015, in addition to budgeted transfers to and from rate stabilization.

Gas System

- Purchased gas adjustment (PGA) revenue was \$1.3 million or 16.7% lower this period than the same period last year due primarily to lower purchased gas prices that reduced PGA revenue and resulted in a \$0.16 per therm decrease in the PGA rate effective May 1, 2015. PGA revenue is adjusted monthly based on purchased gas expenses for that month. If PGA revenue is greater than purchased gas expenses, the PGA revenue amounts over collected are deferred in the purchased gas levelization balance and, if PGA revenue is less than purchased gas expenses, amounts are drawn down from the purchased gas levelization balance.
- Other gas sales and manufactured gas plant (MGP) revenues increased \$585,000 or 86.2% over the same period last year due primarily to the sale of tax credits applicable to the MGP, a 10% increase in the MGP rate and higher natural gas sales in the current period.
- Purchased gas expense decreased \$1.3 million or 16.7% from the same period last year due primarily to lower purchased gas prices.

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- The gas system contributed \$2.2 million to rate stabilization for the period ended March 31, 2015, in addition to budgeted transfers to and from rate stabilization.

Telecommunications (GRUCom) System

- Total sales increased \$98,000 or 1.8% due to an increase in tower lease rentals and internet access.
- Total revenues decreased \$315,000 or 5.2% due to a reduction in contributions from rate stabilization compared to the prior year.
- Operation and maintenance expenses increased \$263,000 compared to the same period last year. The increase is due to a shift in labor costs to operations rather than capital projects.
- The telecommunications system withdrew \$109,000 from rate stabilization for the period ended March 31, 2015, in addition to budgeted transfers to and from rate stabilization.

# **Financial Statements**

**Gainesville Regional Utilities**  
**Combined Utilities Funds**  
**Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Period Ended March 31, 2015**

Current Year to Date	Prior Year to Date	Change (\$)	Change (%)		Current Year to Date	FY 15 Budget	% of FY 15 Budget
				<b>REVENUES:</b>			
\$ 54,613	\$ 58,507	\$ (3,894)	(6.7)	Total Native Load Sales of Electricity	\$ 54,613	\$ 125,394	43.6
1,625	1,764	(139)	(7.9)	Interchange Sales	1,625	600	270.8
78,569	61,026	17,543	28.7	Fuel Adjustment	78,569	160,325	49.0
7,658	5,171	2,487	48.1	Other Revenues	7,658	7,525	101.8
2,586	(3,690)	6,276	170.1	Rate Stabilization Fund Transfer From/(To)	2,586	5,171	50.0
301	354	(53)	(15.0)	Interest Income	301	940	32.0
<b>145,352</b>	<b>123,132</b>	<b>22,220</b>	<b>18.0</b>	<b>Total Electric Revenues</b>	<b>145,352</b>	<b>299,955</b>	<b>48.5</b>
14,672	14,508	164	1.1	Sales of Water	14,672	32,146	45.6
840	1,233	(393)	(31.9)	Other Water Revenues	840	2,598	32.3
(1,040)	(302)	(738)	(244.4)	Rate Stabilization Fund Transfer From/(To)	(1,040)	(2,080)	50.0
24	45	(21)	(46.7)	Interest Income	24	113	21.2
<b>14,496</b>	<b>15,484</b>	<b>(988)</b>	<b>(6.4)</b>	<b>Total Water Revenues</b>	<b>14,496</b>	<b>32,777</b>	<b>44.2</b>
18,190	17,863	327	1.8	Wastewater Billings	18,190	37,599	48.4
617	985	(368)	(37.4)	Other Wastewater Revenues	617	2,277	27.1
(899)	(756)	(143)	(18.9)	Rate Stabilization Fund Transfer From/(To)	(899)	(1,800)	49.9
34	67	(33)	(49.3)	Interest Income	34	196	17.3
<b>17,942</b>	<b>18,159</b>	<b>(217)</b>	<b>(1.2)</b>	<b>Total Wastewater Revenues</b>	<b>17,942</b>	<b>38,272</b>	<b>46.9</b>
8,560	7,627	933	12.2	Sales of Gas	8,560	12,731	67.2
6,436	7,729	(1,293)	(16.7)	Purchased Gas Adjustment	6,436	11,325	56.8
515	451	64	14.2	Other Revenue	515	1,258	40.9
(151)	(183)	32	17.5	Rate Stabilization Fund Transfer From/(To)	(151)	(301)	50.2
40	56	(16)	(28.6)	Interest Income	40	166	24.1
<b>15,400</b>	<b>15,680</b>	<b>(280)</b>	<b>(1.8)</b>	<b>Total Gas Revenues</b>	<b>15,400</b>	<b>25,179</b>	<b>61.2</b>
5,659	5,561	98	1.8	Sales of GRUCom Services	5,659	11,814	47.9
81	476	(395)	(83.0)	Rate Stabilization Fund Transfer From/(To)	81	161	50.3
21	39	(18)	(46.2)	Interest Income	21	111	18.9
-	-	-	-	Miscellaneous Revenue	-	-	-
<b>5,761</b>	<b>6,076</b>	<b>(315)</b>	<b>(5.2)</b>	<b>Total GRUCom Revenues</b>	<b>5,761</b>	<b>12,086</b>	<b>47.7</b>
<b>198,951</b>	<b>178,531</b>	<b>20,420</b>	<b>11.4</b>	<b>TOTAL REVENUES</b>	<b>198,951</b>	<b>408,269</b>	<b>48.7</b>
				<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>			
				Electric Fund:			
				Fuel Expense:			
78,569	61,026	17,543	28.7	Retail and Purchased Power	78,569	160,325	49.0
1,376	1,151	225	19.5	Interchange	1,376	500	275.2
<b>79,945</b>	<b>62,177</b>	<b>17,768</b>	<b>28.6</b>	<b>Total Fuel Expenses</b>	<b>79,945</b>	<b>160,825</b>	<b>49.7</b>
17,824	17,599	225	1.3	Operation & Maintenance Expense	17,824	39,253	45.4
9,320	10,713	(1,393)	(13.0)	Administrative & General Expense	9,320	20,846	44.7
<b>107,089</b>	<b>90,489</b>	<b>16,600</b>	<b>18.3</b>	<b>Total Electric Fund Expenses</b>	<b>107,089</b>	<b>220,924</b>	<b>48.5</b>

(Dollar Amounts in Thousands)

BABs interest income reclassified from other revenues to debt service

**Gainesville Regional Utilities**  
**Combined Utilities Funds**  
**Schedules of Combined Net Revenues in Accordance with Bond Resolution - Unaudited**  
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Current Year to Date	Prior Year to Date	Change (\$)	Change (%)		Current Year to Date	FY 15 Budget	% of FY 15 Budget
3,665	3,823	(158)	(4.1)	Water Fund:	3,665	8,737	41.9
2,512	2,504	8	0.3	Operation & Maintenance Expense	2,512	5,812	43.2
<u>6,177</u>	<u>6,327</u>	<u>(150)</u>	<u>(2.4)</u>	Administrative & General Expense	<u>6,177</u>	<u>14,549</u>	<u>42.5</u>
				<b>Total Water Fund Expenses</b>			
				Wastewater Fund:			
3,943	4,097	(154)	(3.8)	Operation & Maintenance Expense	3,943	8,944	44.1
2,436	2,621	(185)	(7.1)	Administrative & General Expense	2,436	5,880	41.4
<u>6,379</u>	<u>6,718</u>	<u>(339)</u>	<u>(5.0)</u>	<b>Total Wastewater Fund Expenses</b>	<u>6,379</u>	<u>14,824</u>	<u>43.0</u>
				Gas Fund:			
6,436	7,729	(1,293)	(16.7)	Fuel Expense - Purchased Gas	6,436	11,325	56.8
690	589	101	17.1	Operation & Maintenance Expense	690	1,534	45.0
2,024	2,026	(2)	(0.1)	Administrative & General Expense	2,024	4,182	48.4
<u>9,150</u>	<u>10,344</u>	<u>(1,194)</u>	<u>(11.5)</u>	<b>Total Gas Fund Expenses</b>	<u>9,150</u>	<u>17,041</u>	<u>53.7</u>
				GRUCom Fund:			
2,073	1,810	263	14.5	Operation & Maintenance Expense	2,073	4,274	48.5
1,216	1,176	40	3.4	Administrative & General Expense	1,216	1,773	68.6
<u>3,289</u>	<u>2,986</u>	<u>303</u>	<u>10.1</u>	<b>Total GRUCom Fund Expenses</b>	<u>3,289</u>	<u>6,047</u>	<u>54.4</u>
<u>132,084</u>	<u>116,864</u>	<u>15,220</u>	<u>13.0</u>	<b>TOTAL EXPENSES</b>	<u>132,084</u>	<u>273,385</u>	<u>48.3</u>
				<b>NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION:</b>			
38,014	32,030	5,984	18.7	Electric - Retail & Wholesale	38,014	78,931	48.2
249	613	(364)	(59.4)	Electric - Interchange	249	100	249.0
<u>38,263</u>	<u>32,643</u>	<u>5,620</u>	<u>17.2</u>	<b>Total Electric Fund</b>	<u>38,263</u>	<u>79,031</u>	<u>48.4</u>
8,319	9,157	(838)	(9.2)	<b>Total Water Fund</b>	8,319	18,228	45.6
11,563	11,441	122	1.1	<b>Total Wastewater Fund</b>	11,563	23,448	49.3
6,250	5,336	914	17.1	<b>Total Gas Fund</b>	6,250	8,138	76.8
2,472	3,090	(618)	(20.0)	<b>Total GRUCom Fund</b>	2,472	6,039	40.9
<u>66,867</u>	<u>61,667</u>	<u>5,200</u>	<u>8.4</u>	<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<u>66,867</u>	<u>134,884</u>	<u>49.6</u>
				<b>LESS:</b>			
30,498	32,449	(1,951)	(6.0)	Debt Service	30,498	62,351	48.9
(2,673)	(2,675)	2	0.1	Debt Service - BABs	(2,673)	(5,265)	50.8
(675)	-	(675)	-	Debt Service - UPIF	(675)	(1,350)	50.0
21,802	21,441	361	1.7	UPIF Contributions	21,802	43,606	50.0
17,446	19,050	(1,604)	(8.4)	Transfer to General Government	17,446	34,892	50.0
-	-	-	-	Working Capital Reserve	-	650	-
<u>\$ 469</u>	<u>\$ (8,598)</u>	<u>\$ 9,067</u>	<u>105.5</u>	<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<u>\$ 469</u>	<u>\$ -</u>	<u>-</u>

(Dollar Amounts in Thousands)  
BABs interest income reclassified from other revenues to debt service

**Gainesville Regional Utilities**  
**Electric Revenue Fund**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Period Ended March 31, 2015**

Current Year to Date	Prior Year to Date	Change (\$)	Change (%)		Current Year to Date	FY 15 Budget	% of FY 15 Budget
\$ 20,604	\$ 22,831	\$ (2,227)	(9.8)	<b>REVENUES:</b>	\$ 20,604	46,741	44.1
28,462	30,451	(1,989)	(6.5)	Residential Sales	28,462	64,158	44.4
1,625	1,764	(139)	(7.9)	General Service and Large Power Sales	1,625	600	270.8
1,368	1,499	(131)	(8.7)	Interchange Sales	1,368	3,208	42.6
4,179	3,726	453	12.2	Utility Surcharge	4,179	11,287	37.0
<u>56,238</u>	<u>60,271</u>	<u>(4,033)</u>	<u>(6.7)</u>	Other Electric Sales	<u>56,238</u>	<u>125,994</u>	<u>44.6</u>
				<b>Total Sales of Electricity prior to Fuel Adjustment</b>			
78,569	61,026	17,543	28.7	Fuel Adjustment	78,569	160,325	49.0
<u>134,807</u>	<u>121,297</u>	<u>13,510</u>	<u>11.1</u>	<b>Total Sales of Electricity</b>	<u>134,807</u>	<u>286,319</u>	<u>47.1</u>
				Other Revenues	7,658	7,525	101.8
7,658	5,171	2,487	48.1	Rate Stabilization Fund Transfer From/(To)	2,586	5,171	50.0
2,586	(3,690)	6,276	170.1	Interest Income	301	940	32.0
301	354	(53)	(15.0)				
<u>145,352</u>	<u>123,132</u>	<u>22,220</u>	<u>18.0</u>	<b>Total Revenues</b>	<u>145,352</u>	<u>299,955</u>	<u>48.5</u>
				<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>			
				Power Production Expenses:			
				Fuel Expenses:			
78,569	61,026	17,543	28.7	Retail and Purchased Power	78,569	160,325	49.0
1,376	1,151	225	19.5	Interchange	1,376	500	275.2
<u>79,945</u>	<u>62,177</u>	<u>17,768</u>	<u>28.6</u>	<b>Total Fuel Expenses</b>	<u>79,945</u>	<u>160,825</u>	<u>49.7</u>
				Steam Power Generation Expense	11,814	25,967	45.5
11,814	11,303	511	4.5	Nuclear Power Generation Expense	6	-	-
6	22	(16)	(72.7)	Other Power Generation Expense	381	430	88.6
381	310	71	22.9	System Control & Load Dispatching	590	1,149	51.3
590	657	(67)	(10.2)	<b>Total Power Production Expenses</b>	<u>12,791</u>	<u>27,546</u>	<u>46.4</u>
<u>12,791</u>	<u>12,292</u>	<u>499</u>	<u>4.1</u>	Transmission & Distribution Expenses:			
				Transmission Expenses	776	1,640	47.3
776	784	(8)	(1.0)	Distribution Expenses	4,257	10,067	42.3
4,257	4,523	(266)	(5.9)	<b>Total Transmission &amp; Distribution Expenses</b>	<u>5,033</u>	<u>11,707</u>	<u>43.0</u>
<u>5,033</u>	<u>5,307</u>	<u>(274)</u>	<u>(5.2)</u>	Administrative & General Expenses:			
				Customer Accounts & Sales Expense	1,433	4,166	34.4
1,433	1,576	(143)	(9.1)	Administrative & General Expense	7,887	16,680	47.3
7,887	9,137	(1,250)	(13.7)	<b>Total Administrative &amp; General Expenses</b>	<u>9,320</u>	<u>20,846</u>	<u>44.7</u>
<u>9,320</u>	<u>10,713</u>	<u>(1,393)</u>	<u>(13.0)</u>	<b>Total Operation, Maintenance and Administrative Expenses</b>	<u>107,089</u>	<u>220,924</u>	<u>48.5</u>
<u>107,089</u>	<u>90,489</u>	<u>16,600</u>	<u>18.3</u>				

(Dollar Amounts in Thousands)

BABs interest income reclassified from other revenues to debt service

**Gainesville Regional Utilities**  
**Electric Revenue Fund**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Period Ended March 31, 2015**  
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<u>Current Year to Date</u>	<u>Prior Year to Date</u>	<u>Change (\$)</u>	<u>Change (%)</u>		<u>Current Year to Date</u>	<u>FY 15 Budget</u>	<u>% of FY 15 Budget</u>
<u>38,263</u>	<u>32,643</u>	<u>5,620</u>	<u>17.2</u>	<b>TOTAL NET REVENUE IN ACCORDANCE WITH BOND RESOLUTION</b>	<u>38,263</u>	<u>79,031</u>	<u>48.42</u>
				<b>LESS:</b>			
18,981	19,124	(143)	(0.7)	Debt Service	18,981	38,246	49.6
(1,480)	(1,482)	2	0.1	Debt Service - BABs	(1,480)	(2,916)	50.8
-	-	-	-	Debt Service - UPIF	-	-	-
11,853	12,392	(539)	(4.3)	UPIF Contributions	11,853	23,706	50.0
9,748	10,647	(899)	(8.4)	Transfer to General Government	9,748	19,495	50.0
-	-	-	-	Working Capital Reserve	-	500	-
<u>\$ (839)</u>	<u>\$ (8,038)</u>	<u>\$ 7,199</u>	<u>89.6</u>	<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<u>\$ (839)</u>	<u>\$ -</u>	<u>-</u>

(Dollar Amounts in Thousands)  
BABs interest income reclassified from other revenues to debt service

**Gainesville Regional Utilities**  
**Water Revenue Fund**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Period Ended March 31, 2015**

Current Year to Date	Prior Year to Date	Change (\$)	Change (%)		Current Year to Date	FY 15 Budget	% of FY 15 Budget
\$ 12,788	\$ 12,620	\$ 168	1.3	<b>REVENUES:</b>	\$ 12,788	28,119	45.5
857	825	32	3.9	General Customers	857	1,757	48.8
1,027	1,063	(36)	(3.4)	University of Florida	1,027	2,270	45.2
<u>14,672</u>	<u>14,508</u>	<u>164</u>	<u>1.1</u>	Utility Surcharge	<u>14,672</u>	<u>32,146</u>	<u>45.6</u>
				<b>Total Sales</b>			
840	1,233	(393)	(31.9)	Other Revenues	840	2,598	32.3
(1,040)	(302)	(738)	(244.4)	Rate Stabilization Fund Transfer From/(To)	(1,040)	(2,080)	50.0
24	45	(21)	(46.7)	Interest Income	24	113	21.2
<u>14,496</u>	<u>15,484</u>	<u>(988)</u>	<u>(6.4)</u>	<b>Total Revenues</b>	<u>14,496</u>	<u>32,777</u>	<u>44.2</u>
				<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>			
2,499	2,628	(129)	(4.9)	Water Treatment Expense	2,499	6,258	39.9
1,166	1,195	(29)	(2.4)	Water Transmission & Distribution Expense	1,166	2,479	47.0
629	632	(3)	(0.5)	Customer Accounts & Sales Expense	629	1,439	43.7
1,883	1,872	11	0.6	Administrative & General Expense	1,883	4,373	43.1
<u>6,177</u>	<u>6,327</u>	<u>(150)</u>	<u>(2.4)</u>	<b>Total Operation, Maintenance and Administrative Expenses</b>	<u>6,177</u>	<u>14,549</u>	<u>42.5</u>
<u>8,319</u>	<u>9,157</u>	<u>(838)</u>	<u>(9.2)</u>	<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<u>8,319</u>	<u>18,228</u>	<u>45.6</u>
				<b>LESS:</b>			
3,065	3,691	(626)	(17.0)	Debt Service	3,065	6,062	(49.4)
(415)	(415)	-	-	Debt Service - BABs	(415)	(817)	(49.2)
-	-	-	-	Debt Service - UPIF	-	-	-
3,678	3,218	460	14.3	UPIF Contributions	3,678	7,357	(50.0)
2,813	3,207	(394)	(12.3)	Transfer to General Government	2,813	5,626	(50.0)
-	-	-	-	Working Capital Reserve	-	-	-
<u>\$ (822)</u>	<u>\$ (544)</u>	<u>\$ (278)</u>	<u>(51.1)</u>	<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<u>\$ (822)</u>	<u>\$ -</u>	<u>-</u>

(Dollar Amounts in Thousands)

BABs interest income reclassified from other revenues to debt service



**Gainesville Regional Utilities**  
**Wastewater Revenue Fund**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Period Ended March 31, 2015**

Current Year to Date	Prior Year to Date	Change (\$)	Change (%)		Current Year to Date	FY 15 Budget	% of FY 15 Budget
\$ 16,929	\$ 16,575	\$ 354	2.1	<b>REVENUES:</b>	\$ 16,929	35,049	48.3
1,261	1,288	(27)	(2.1)	Wastewater Billings	1,261	2,550	49.5
617	985	(368)	(37.4)	Utility Surcharge	617	2,277	27.1
(899)	(756)	(143)	(18.9)	Other Revenues	(899)	(1,800)	49.9
34	67	(33)	(49.3)	Rate Stabilization Fund Transfer From/(To)	34	196	17.3
<u>17,942</u>	<u>18,159</u>	<u>(217)</u>	<u>(1.2)</u>	Interest Income	<u>34</u>	<u>196</u>	<u>17.3</u>
				<b>Total Revenue</b>	<u>17,942</u>	<u>38,272</u>	<u>46.9</u>
				<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>			
1,502	1,637	(135)	(8.2)	Wastewater Collection Expense	1,502	3,464	43.4
2,441	2,460	(19)	(0.8)	Wastewater Treatment Expense	2,441	5,480	44.5
412	453	(41)	(9.1)	Customer Accounts & Sales Expense	412	997	41.3
2,024	2,168	(144)	(6.6)	Administrative & General Expense	2,024	4,883	41.4
<u>6,379</u>	<u>6,718</u>	<u>(339)</u>	<u>(5.0)</u>	<b>Total Operation, Maintenance and Administrative Expenses</b>	<u>6,379</u>	<u>14,824</u>	<u>43.0</u>
				<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<u>11,563</u>	<u>23,448</u>	<u>49.3</u>
				<b>LESS:</b>			
3,838	4,819	(981)	(20.4)	Debt Service	3,838	7,920	48.5
(468)	(468)	-	-	Debt Service - BABs	(468)	(922)	50.8
-	-	-	-	Debt Service - UPIF	-	-	-
4,467	4,017	450	11.2	UPIF Contributions	4,467	8,934	50.0
3,683	3,777	(94)	(2.5)	Transfer to General Government	3,683	7,366	50.0
-	-	-	-	Working Capital Reserve	-	150	-
<u>\$ 43</u>	<u>\$ (704)</u>	<u>\$ 747</u>	<u>106.1</u>	<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<u>\$ 43</u>	<u>\$ -</u>	<u>-</u>

(Dollar Amounts in Thousands)  
BABs interest income reclassified from other revenues to debt service

**Gainesville Regional Utilities**  
**Gas Revenue Fund**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Period Ended March 31, 2015**

Current Year to Date	Prior Year to Date	Change (\$)	Change (%)		Current Year to Date	FY 15 Budget	% of FY 15 Budget
\$ 4,591	\$ 4,301	\$ 290	6.7	<b>Revenues:</b>	\$ 4,591	7,316	62.8
2,418	2,400	18	0.8	Residential	2,418	3,853	62.8
6,436	7,729	(1,293)	(16.7)	Commercial & Interruptible	6,436	11,325	56.8
287	247	40	16.2	Purchased Gas Adjustment	287	404	71.0
1,264	679	585	86.2	Surcharge	1,264	1,158	109.2
<u>14,996</u>	<u>15,356</u>	<u>(360)</u>	<u>(2.3)</u>	Other Gas Sales and MGP	<u>14,996</u>	<u>24,056</u>	<u>62.3</u>
				<b>Total Sales</b>			
515	451	64	14.2	Other Revenue	515	1,258	40.9
(151)	(183)	32	17.5	Rate Stabilization Fund Transfer From/(To)	(151)	(301)	50.2
40	56	(16)	(28.6)	Interest Income	40	166	24.1
<u>15,400</u>	<u>15,680</u>	<u>(280)</u>	<u>(1.8)</u>	<b>Total Revenues</b>	<u>15,400</u>	<u>25,179</u>	<u>61.2</u>
				<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>			
6,436	7,729	(1,293)	(16.7)	Fuel Expense - Purchased Gas	6,436	11,325	56.8
690	589	101	17.1	Operation & Maintenance Expenses	690	1,534	45.0
1,183	1,073	110	10.3	Customer Accounts & Sales Expense	1,183	2,273	52.0
841	953	(112)	(11.8)	Administrative & General Expense	841	1,909	44.1
<u>9,150</u>	<u>10,344</u>	<u>(1,194)</u>	<u>(11.5)</u>	<b>Total Operation, Maintenance and Administrative Expenses</b>	<u>9,150</u>	<u>17,041</u>	<u>53.7</u>
				<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<u>6,250</u>	<u>8,138</u>	<u>76.8</u>
<u>6,250</u>	<u>5,336</u>	<u>914</u>	<u>17.1</u>	<b>LESS:</b>			
				Debt Service	1,962	3,943	49.8
1,962	2,168	(206)	(9.5)	Debt Service - BABs	(310)	(610)	50.8
(310)	(310)	-	-	Debt Service - UPIF	(500)	(1,000)	50.0
(500)	-	(500)	-	UPIF Contributions	1,700	3,400	50.0
1,700	1,397	303	21.7	Transfer to General Government	1,202	2,405	50.0
1,202	1,220	(18)	(1.5)	Working Capital Reserve	-	-	-
-	-	-	-	<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<u>\$ 2,196</u>	<u>\$ -</u>	<u>-</u>
<u>\$ 2,196</u>	<u>\$ 861</u>	<u>\$ 1,335</u>	<u>155.1</u>				

(Dollar Amounts in Thousands)

BABs interest income reclassified from other revenues to debt service

**Gainesville Regional Utilities**  
**Telecommunications Revenue Fund**  
**Schedules of Net Revenues in Accordance with Bond Resolution - Unaudited**  
**For the Period Ended March 31, 2015**

Current Year to Date	Prior Year to Date	Change (\$)	Change (%)		Current Year to Date	FY 15 Budget	% of FY 15 Budget
\$ 2,318	\$ 2,404	\$ (86)	(3.6)	<b>Revenues:</b>	\$ 2,318	5,804	39.9
893	932	(39)	(4.2)	Telecommunication	893	1,859	48.0
1,405	1,270	135	10.6	Trunking Radio	1,405	1,893	74.2
1,043	955	88	9.2	Tower Lease Rental	1,043	2,258	46.2
<u>5,659</u>	<u>5,561</u>	<u>98</u>	<u>1.8</u>	Internet Access	<u>5,659</u>	<u>11,814</u>	<u>47.9</u>
				<b>Total Sales</b>			
81	476	(395)	(83.0)	Rate Stabilization Fund Transfer From/(To)	81	161	50.3
21	39	(18)	(46.2)	Interest Income	21	111	18.9
-	-	-	-	Miscellaneous Revenue	-	-	-
<u>5,761</u>	<u>6,076</u>	<u>(315)</u>	<u>(5.2)</u>	<b>Total Revenues</b>	<u>5,761</u>	<u>12,086</u>	<u>47.7</u>
				<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>			
2,073	1,810	263	14.5	Operation & Maintenance Expenses	2,073	4,274	48.5
73	148	(75)	(50.7)	Customer Accounts & Sales Expense	73	391	18.7
1,143	1,028	115	11.2	Administrative & General Expenses	1,143	1,382	82.7
<u>3,289</u>	<u>2,986</u>	<u>303</u>	<u>10.1</u>	<b>Total Operation, Maintenance and Administrative Expenses</b>	<u>3,289</u>	<u>6,047</u>	<u>54.4</u>
				<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<u>2,472</u>	<u>6,039</u>	<u>40.9</u>
<u>2,472</u>	<u>3,090</u>	<u>(618)</u>	<u>(20.0)</u>				
				<b>LESS:</b>			
2,652	2,647	5	0.2	Debt Service	2,652	6,180	42.9
(175)	-	(175)	-	Debt Service - UPIF	(175)	(350)	50.0
104	417	(313)	(75.1)	UPIF Contributions	104	209	49.8
-	199	(199)	(100.0)	Transfer to General Government	-	-	-
-	-	-	-	Working Capital Reserve	-	-	-
<u>\$ (109)</u>	<u>\$ (173)</u>	<u>\$ 64</u>	<u>37.0</u>	<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<u>\$ (109)</u>	<u>\$ -</u>	<u>-</u>

(Dollar Amounts in Thousands)  
BABs interest income reclassified from other revenues to debt service

**Gainesville Regional Utilities**  
**Statements of Net Position - Unaudited**  
**For the Periods Ended March 31, 2015 and September 30, 2014**

	March 31, 2015	September 30, 2014	Change (\$)	Change (%)
<b>Assets</b>				
Current assets:				
Cash and investments	\$ 54,298,674	\$ 64,756,240	\$ (10,457,566)	-16.1%
Accounts receivable, net of allowance for uncollectible accounts of \$1,522,718 for 2015 and \$1,561,364 for 2014	38,019,687	45,937,328	(7,917,641)	-17.2%
Inventories:				
Fuel	11,646,403	11,336,733	309,670	2.7%
Materials and supplies	6,974,181	6,806,278	167,903	2.5%
Other assets and regulatory assets	957,502	1,876,215	(918,713)	-49.0%
Total current assets	<u>111,896,447</u>	<u>130,712,794</u>	<u>(18,816,347)</u>	<u>-14.4%</u>
Restricted and internally designated assets:				
Utility deposits – cash and investments	8,319,612	8,322,368	(2,756)	0.0%
Debt service – cash and investments	27,928,933	39,682,742	(11,753,809)	-29.6%
Rate stabilization – cash and investments	63,751,502	64,030,121	(278,619)	-0.4%
Construction fund – cash and investments	63,866,903	29,034,046	34,832,857	120.0%
Utility plant improvement fund – cash and investments	51,374,344	39,313,780	12,060,564	30.7%
Decommissioning reserve – cash and investments	13,188,256	13,058,443	129,813	1.0%
Total restricted and internally designated assets	<u>228,429,550</u>	<u>193,441,500</u>	<u>34,988,050</u>	<u>18.1%</u>
Noncurrent assets:				
Net costs recoverable in future years - regulatory asset	22,193,287	13,732,765	8,460,522	61.6%
Unamortized debt issuance costs - regulatory asset	6,310,117	6,214,914	95,203	1.5%
Investment in The Energy Authority	2,429,140	2,701,599	(272,459)	-10.1%
Pollution remediation - regulatory asset	15,203,239	15,808,529	(605,290)	-3.8%
Other noncurrent assets and regulatory assets	6,070,832	6,192,539	(121,707)	-2.0%
Total noncurrent assets	<u>52,206,615</u>	<u>44,650,346</u>	<u>7,556,269</u>	<u>16.9%</u>
Capital assets:				
Utility plant in service	1,727,264,077	1,724,649,795	2,614,282	0.2%
Capital lease	1,006,808,754	1,006,808,754	-	-
Less: accumulated depreciation and amortization	(718,891,661)	(677,216,550)	(41,675,111)	6.2%
	<u>2,015,181,170</u>	<u>2,054,241,999</u>	<u>(39,060,829)</u>	<u>-1.9%</u>
Construction in progress	161,517,944	141,988,911	19,529,033	13.8%
Net capital assets	<u>2,176,699,114</u>	<u>2,196,230,910</u>	<u>(19,531,796)</u>	<u>-0.9%</u>
Total assets	<u>2,569,231,726</u>	<u>2,565,035,550</u>	<u>4,196,176</u>	<u>0.2%</u>
Deferred outflows of resources:				
Unamortized loss on refundings of bonds	30,099,006	28,765,946	1,333,060	4.6%
Accumulated decrease in fair value of hedging derivatives	52,997,267	50,748,859	2,248,408	4.4%
Total deferred outflows of resources	<u>83,096,273</u>	<u>79,514,805</u>	<u>3,581,468</u>	<u>4.5%</u>
<b>Total assets and deferred outflows of resources</b>	<u><b>\$ 2,652,327,999</b></u>	<u><b>\$ 2,644,550,355</b></u>	<u><b>\$ 7,777,644</b></u>	<u><b>0.3%</b></u>

**Gainesville Regional Utilities**  
**Statements of Net Position - Unaudited (concluded)**  
**For the Periods Ended March 31, 2015 and September 30, 2014**

	March 31, 2015	September 30, 2014	Change (\$)	Change (%)
<b>Liabilities</b>				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 10,540,135	\$ 20,851,891	\$ (10,311,756)	-49.5%
Fuels payable	10,938,419	11,429,004	(490,585)	-4.3%
Due to other funds of the City	4,149,982	3,142,499	1,007,483	32.1%
Capital lease – current portion	8,508,569	16,828,193	(8,319,624)	
Fuel adjustment	6,677,498	15,963,888	(9,286,390)	-58.2%
Other liabilities and regulatory liabilities	4,750,039	2,678,019	2,072,020	77.4%
Total current liabilities	<u>45,564,642</u>	<u>70,893,494</u>	<u>(25,328,852)</u>	<u>-35.7%</u>
Payable from restricted assets:				
Utility deposits	8,920,015	8,321,246	598,769	7.2%
Construction fund:				
Accounts payable and accrued liabilities	1,050,925	3,686,534	(2,635,609)	-71.5%
Debt payable – current portion	22,205,000	21,480,000	725,000	3.4%
Accrued interest payable	17,598,308	18,540,801	(942,493)	-5.1%
Total payable from restricted assets	<u>49,774,248</u>	<u>52,028,581</u>	<u>(2,254,333)</u>	<u>-4.3%</u>
Long-term debt:				
Utilities system revenue bonds	889,075,000	869,570,000	19,505,000	2.2%
Commercial paper notes	59,500,000	56,900,000	2,600,000	4.6%
Capital lease	977,280,085	977,280,085	–	
Unamortized bond premium/discount	19,680,069	10,229,836	9,450,233	92.4%
Fair value of derivative instruments	55,103,515	55,103,515	–	0.0%
Total long-term debt	<u>2,000,638,669</u>	<u>1,969,083,436</u>	<u>31,555,233</u>	<u>1.6%</u>
Noncurrent liabilities				
Reserve for insurance claims	3,337,000	3,337,000	–	0.0%
Reserve for decommissioning CR3	11,394,256	11,264,443	129,813	1.2%
Reserve for environmental liability	167,000	167,000	–	
Total noncurrent liabilities	<u>14,898,256</u>	<u>14,768,443</u>	<u>129,813</u>	<u>0.9%</u>
Total liabilities	<u>2,110,875,815</u>	<u>2,106,773,954</u>	<u>4,101,861</u>	<u>0.2%</u>
Deferred inflows of resources:				
Rate stabilization	63,541,475	64,117,259	(575,784)	-0.9%
Total deferred inflows of resources	<u>63,541,475</u>	<u>64,117,259</u>	<u>(575,784)</u>	<u>-0.9%</u>
<b>Net position</b>				
Net investment in capital assets	308,568,614	298,056,254	10,512,360	3.5%
Restricted	63,108,593	60,369,705	2,738,888	4.5%
Unrestricted	106,233,502	115,233,183	(8,999,681)	-7.8%
Total net position	<u>477,910,709</u>	<u>473,659,142</u>	<u>4,251,567</u>	<u>0.9%</u>
<b>Total liabilities, deferred inflows of resources and net position</b>	<u>\$ 2,652,327,999</u>	<u>\$ 2,644,550,355</u>	<u>\$ 7,777,644</u>	<u>0.3%</u>

**Gainesville Regional Utilities**

**Statements of Revenues, Expenses, and Changes in Net Position-Unaudited**

**For the Periods Ended March 31, 2015 and September 30, 2014**

	<u>March 31, 2015</u>	<u>September 30, 2014</u>
Operating revenue:		
Sales and service charges	\$ 188,500,992	\$ 368,655,555
Transfers (to) from rate stabilization	575,785	(8,867,764)
Amounts to be recovered from future revenue	16,780,146	26,433,241
Other operating revenue	<u>9,159,282</u>	<u>19,673,582</u>
Total operating revenues	<u>215,016,205</u>	<u>405,894,614</u>
Operating expenses:		
Operation and maintenance	113,828,839	213,305,250
Administrative and general	18,971,351	42,492,252
Depreciation and amortization	<u>45,553,525</u>	<u>84,449,419</u>
Total operating expenses	<u>178,353,715</u>	<u>340,246,921</u>
Operating income	<u>36,662,490</u>	<u>65,647,693</u>
Non-operating income (expense):		
Interest income	(175,602)	714,408
Interest expense, net of AFUDC	(18,649,466)	(37,815,529)
Other interest related income, BABs	2,672,581	5,350,928
Other income (expense)	<u>1,155,467</u>	<u>209,772</u>
Total non-operating expense	<u>(14,997,019)</u>	<u>(31,540,421)</u>
Income before contributions, transfer, and extraordinary item	<u>21,665,471</u>	<u>34,107,272</u>
Capital contributions:		
Contributions from third parties	32,309	3,324,503
Reduction of plant costs recovered through contributions	-	(1,800,000)
Net capital contributions	<u>32,309</u>	<u>1,524,503</u>
Transfer to City of Gainesville General Fund	<u>(17,446,213)</u>	<u>(37,316,841)</u>
Change in net position	4,251,567	(1,685,066)
Net position – beginning of year	473,659,142	475,344,208
Net position – end of year	<u>\$ 477,910,709</u>	<u>\$ 473,659,142</u>

**Gainesville Regional Utilities**

**Statements of Cash Flows**

**For the Periods Ended March 31, 2015 and September 30, 2014**

	<u>March 31, 2015</u>	<u>September 30, 2014</u>
Operating activities:		
Cash received from customers	\$ 197,017,402	\$ 369,172,437
Cash payments to suppliers for goods and services	(107,748,532)	(156,891,922)
Cash payments to employees for services	(31,021,906)	(55,973,131)
Cash payments for operating transactions with other funds	(4,180,860)	(10,517,970)
Cash payment for defeasance of bonds	(22,681,138)	-
Cash receipts for defeasance of bonds	22,681,138	-
Other operating receipts	9,735,067	7,696,733
Net cash provided by operating activities	<u>63,801,171</u>	<u>153,486,147</u>
Noncapital financing activities:		
Transfer to City of Gainesville General Fund	(17,446,213)	(37,316,841)
Net cash used in noncapital financing activities	<u>(17,446,213)</u>	<u>(37,316,841)</u>
Capital and related financing activities:		
Principal repayments and refunding on long-term debt net	(20,755,000)	(26,845,000)
Interest paid on long-term debt	(19,591,959)	(38,589,064)
Proceeds from interest rebates, BABs	2,672,581	5,350,928
Acquisition and construction of fixed assets (including allowance for funds used during construction)	(25,230,109)	(56,990,480)
Proceeds from new debt and commercial paper	51,306,295	
Other income	1,155,467	209,774
Net cash used in capital and related financing activities	<u>(10,442,725)</u>	<u>(116,863,842)</u>
Investing activities:		
Interest received (paid)	(159,255)	706,251
Purchase of investments	(33,802,219)	(295,386,535)
Investments in The Energy Authority	(2,361,259)	5,403,728
Distributions from The Energy Authority	2,633,818	(5,845,309)
Proceeds from investments	6,814,169	325,999,310
Net cash provided by investing activities	<u>(26,874,746)</u>	<u>30,877,445</u>
Net change in cash and cash equivalents	9,037,487	30,182,909
Cash and cash equivalents, beginning of year	75,559,374	45,376,465
Cash and cash equivalents, end of year	<u>\$ 84,596,861</u>	<u>\$ 75,559,374</u>

*Continued on next page.*

**Gainesville Regional Utilities**

**Statements of Cash Flows (concluded)**

**For the Periods Ended March 31, 2015 and September 30, 2014**

	<u>March 31, 2015</u>	<u>September 30, 2014</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 36,662,490	\$ 65,647,693
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	45,553,525	84,449,419
Net costs to be recovered in future rates	(8,450,645)	(13,732,765)
Change in:		
Accounts receivable	7,917,641	518,004
Inventories	(477,573)	3,043,202
Other assets and regulatory assets	918,713	(711,437)
Restricted and internally designated assets	-	(3,109,085)
Noncurrent assets	605,470	879,007
Accounts payable and accrued liabilities	(10,802,341)	12,665,268
Due to other funds of the City	1,007,483	171,036
Fuel adjustment	(9,286,390)	(5,442,608)
Other liabilities and regulatory liabilities	129,813	241,771
Utility deposits	598,769	(1,122)
Rate stabilization	(575,784)	8,867,764
Net cash provided by operating activities	<u>\$ 63,801,171</u>	<u>\$ 153,486,147</u>
Non-cash capital and related financing activities, and investing activities:		
Acquisition of utility plant in service under capital lease	<u>\$ -</u>	<u>\$ (1,006,809,754)</u>
Acquisition of utility plant in service under long term capital lease obligation	<u>\$ (8,319,624)</u>	<u>\$ 994,108,278</u>
Acquisition of utility plant in service with construction fund payable	<u>\$ (2,635,609)</u>	<u>\$ 5,093,605</u>
Change in utility plant in service	<u>\$ -</u>	<u>\$ (4,999,956)</u>
Change in ineffective portion of hedging derivatives	<u>\$ -</u>	<u>\$ (838,440)</u>
Change in hedging derivatives - interest rate swaps	<u>\$ -</u>	<u>\$ (10,515,189)</u>
Change in hedging derivatives - fuel options and futures	<u>\$ 2,072,020</u>	<u>\$ (114,952)</u>
Change in fair value of investments	<u>\$ -</u>	<u>\$ (235,808)</u>
Change in fair value of derivatives	<u>\$ -</u>	<u>\$ (11,353,627)</u>
Unamortized loss on refundings of bonds	<u>\$ (2,644,150)</u>	<u>\$ -</u>
Other	<u>\$ -</u>	<u>\$ 150,326</u>

Noncash capital and related financing activities

GRU issued utility revenue bonds to refund debt during fiscal year 2015. The proceeds of \$13,315,144 were deposited immediately into an irrevocable trust for the defeasance of \$12,725,000 of outstanding principal and \$590,144 of interest.



# **Supplementary Information**

**Gainesville Regional Utilities  
 Fuel Adjustment Levelization  
 For the Period Ended March 31, 2015**

	<u>Actual</u>	<u>Fiscal Year 2015 Budget</u>	<u>Percent of Budget</u>
Fuel Revenues	\$ 70,035	\$ 160,325	44%
Fuel Expenses	78,569	160,325	49%
<b>To (From) Levelization Fund</b>	<b><u>\$ (8,534)</u></b>	<b><u>\$ -</u></b>	
Levelization Fund Beginning Balance	\$ 15,298		
To (From) Levelization Fund	<u>(8,534)</u>		
<b>Levelization Fund Ending Balance</b>	<b><u>\$ 6,765</u></b>		

(Dollar Amounts in Thousands)

**Gainesville Regional Utilities**  
**Purchased Gas Adjustment (PGA) Levelization**  
**For the Period Ended March 31, 2015**

	<u>Actual</u>	<u>Fiscal Year 2015 Budget</u>	<u>Percent of Budget</u>
Purchased Gas Revenues	\$ 6,703	\$ 11,325	59%
Purchased Gas Expenses	6,436	11,325	57%
<b>To (From) PGA Levelization</b>	<b>\$ 266</b>	<b>\$ -</b>	
PGA Beginning Balance	\$ 665		
To (From) PGA Levelization	266		
<b>PGA Ending Balance</b>	<b>\$ 932</b>		

(Dollar Amounts in Thousands)