

Gainesville Regional Utilities

Budget to Actual Comparison

For the Period Ended March 31, 2020



**Gainesville Regional Utilities
Budget to Actual Comparison
For the Period Ended March 31, 2020**

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Overview and Basis of Accounting

Gainesville Regional Utilities Budget to Actual Comparison For the Period Ended March 31, 2020

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 this analysis of the budget to actual activities of GRU for the period ended March 31, 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.

Basis of Budgeting

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.

All budgeted utility revenues based on unit sales, shown in this comparison, are based on seasonal forecasts provided by the Rates & Forecasting department. Fuel revenue and expense are also seasonalized based on projections by Forecasting. Other non-unit sales revenues, all expenses and use of net revenues are presented in a straight line methodology for this comparison.

Management's Discussion and Analysis

Gainesville Regional Utilities Budget to Actual Comparison For the Period Ended March 31, 2020

Management's Discussion and Analysis

We offer readers of GRU's Budget to Actual Comparison this management's discussion and analysis of the budget variances of GRU for the period ended March 31, 2020. It should be read in conjunction with the Budget to Actual Comparison that follows this section.

Budget Highlights

Combined Systems

- The combined systems experienced a loss of \$9.1 million for the period ended March 31, 2020. When including budgeted transfers from rate stabilization of \$3.4 million the combined systems incurred a loss of \$12.5 million.

Electric System

- Total sales through March FY 2020, net of fuel adjustment revenues were down approximately 3% to budget, with other sales down 12.3%, residential sales down 5.2% and non-residential sales down 0.6%
- Fuel adjustment revenue and corresponding fuel expenses are \$5.7 million or 15.7% below budget through the second quarter of fiscal year 2020. Lower than planned natural gas fuel costs is the primary contributing factor. Fuel revenues match fuel expenses as a pass-through to customers.
- Sales for resale were up through March by \$624,000 bolstered by sales to Alachua and The Energy Authority (TEA).
- Other electric sales are running below budget though second quarter fiscal year 2020 by \$1.3 million due to lower rental lighting and street lighting revenue.
- Other revenue is under budget by \$510,000 due to lower miscellaneous service revenue.
- Other income is coming in much higher than budget due to gain from the sale of investments and miscellaneous non-utility revenue. Gain from the sale of investments and miscellaneous non-utility revenue is not budgeted due to its unpredictable nature.

Gainesville Regional Utilities Budget to Actual Comparison For the Period Ended March 31, 2020

- Power production costs are less than expected because of lower contract/outside service costs through March.
- Transmission and distribution costs are coming in higher than budget through the second quarter due to greater labor related costs and higher contract/outside service costs.
- Administrative and general expenses are greater than budgeted through March. This is primarily due to increased payroll expenses and payment of annual insurance costs that occur in the first quarter.

Water System

- Total sales of water through March 2020 were above budget by 2.4% led by higher than projected non-residential revenues.
- Other revenue is under budget by \$296,000 due to water connection charges coming in below budget through the second quarter.
- Other income is up through March due to recorded gains on the sale of investments.
- Transmission and distribution expenses are lower than budget due to lower contract/outside service costs and labor related costs through March.
- Treatment costs are 12.4% below budget due to lower labor related costs as well as lower chemical expenses such as chlorine, sterilizing agents and softening agents.
- Administrative and general expenses are coming in below budget through March due to lower labor and labor related costs. Lower contract and professional services incurred through the period are also contributing to the favorable variance.

Wastewater System

- Total billed wastewater sales came in very close to budget during the first half of the year at 0.4% below planned amount.
- Other income is coming in higher than budget for the period due to gains recorded on the sale of investments.

Gainesville Regional Utilities Budget to Actual Comparison For the Period Ended March 31, 2020

- Collection expenses are coming in below budget due to lower electric, labor and overhead costs for the first half as well as lower contract and repair costs.
- Treatment expenses are also down through March due to lower labor and labor related costs. Also lower are sludge disposal fees, lower professional costs and lower chemical costs during the period.
- Administrative and general expenses are coming in below budget through March due to lower labor costs and lower contract and professional services incurred during the period.

Gas System

- Residential sales dropped off in the second quarter leaving residential revenues 6.6% under budget. Non-residential gas sales were up through March making up part of the difference. Total residential and non-residential sales volume was down 6.4% overall during the period. This is in part due to the mild winter experienced this year. Gas is a winter peaking system that usually sets its results before the warmer spring and summer months.
- Gas fuel adjustment revenues and purchased gas expense were lower than budgeted driven by lower natural gas prices.
- Other gas sales are coming in higher than budget due to manufactured gas plant cost recovery revenue coming in higher than projected through March.
- Other revenue is down due to lower turn-on fee revenue and other service fee revenues.
- Other income is coming in higher than budget for the period due to gains recorded on the sale of investments.
- Operation and maintenance expenses are higher than budget due to labor and labor related costs through March.
- Administrative and general expenses are coming in below budget through March due to lower labor costs combined with slightly lower contract and professional expenses and gas rebates.

**Gainesville Regional Utilities
Budget to Actual Comparison
For the Period Ended March 31, 2020**

Telecommunications System

- Total sales of services are up 2.7% due to tower leasing revenue coming in higher than budget through March.
- Other income is coming in higher than budget for the period due to gains recorded on the sale of investments.
- Operation and maintenance expenses are below budget for the period due to voice mail maintenance cost and transport/telecommunication fees being lower than planned through the second quarter.
- Administrative and general expenses are higher than budget due to higher labor costs incurred during the first half of the year.

Budget to Actual Statements

**Gainesville Regional Utilities
Combined Systems
Budget to Actual Comparison
For the Period Ended March 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over/<Under> Budget</u>	<u>% Variance</u>	<u>FY20 Budget</u>	<u>YTD Actual as % of FY20 Budget</u>
REVENUES:						
Electric system:						
Sales of electricity	\$ 90,310,850	\$ 86,791,394	\$ (3,519,456)	(3.9)	\$ 193,645,861	44.8
Fuel adjustment	36,592,726	30,843,568	(5,749,158)	(15.7)	80,934,082	38.1
Sales for resale	1,179,823	1,803,812	623,989	52.9	2,604,638	69.3
Transfer from/(to) rate stabilization	2,937,434	2,937,434	-	-	5,874,869	50.0
Other revenue	3,129,924	2,620,369	(509,555)	(16.3)	6,259,848	41.9
Other income	285,313	2,683,646	2,398,333	840.6	570,625	470.3
Build America Bonds	1,413,704	1,418,225	4,521	0.3	2,827,407	50.2
Total electric system revenues	135,849,774	129,098,448	(6,751,326)	(5.0)	292,717,330	44.1
Water system:						
Sales of water	17,072,704	17,482,225	409,521	2.4	35,860,839	48.8
Transfer from/(to) rate stabilization	(523,593)	(523,593)	-	-	(1,047,186)	50.0
Other revenue	1,610,000	1,313,664	(296,336)	(18.4)	3,220,000	40.8
Other income	216,896	381,085	164,189	75.7	433,792	87.8
Build America Bonds	400,641	401,922	1,281	0.3	801,281	50.2
Total water system revenues	18,776,648	19,055,303	278,655	1.5	39,268,726	48.5
Wastewater system:						
Sales of wastewater	20,711,731	20,622,545	(89,186)	(0.4)	41,655,149	49.5
Transfer from/(to) rate stabilization	426,842	426,842	-	-	853,683	50.0
Other revenue	2,511,733	2,506,421	(5,312)	(0.2)	5,023,466	49.9
Other income	142,579	379,535	236,956	166.2	285,158	133.1
Build America Bonds	458,626	460,092	1,466	0.3	917,251	50.2
Total wastewater system revenues	24,251,511	24,395,435	143,924	0.6	48,734,707	50.1
Gas system:						
Sales of gas	9,091,287	9,090,369	(918)	(0.0)	15,767,699	57.7
Fuel adjustment	5,250,595	4,101,761	(1,148,834)	(21.9)	8,601,893	47.7
Transfer from/(to) rate stabilization	535,052	535,052	-	-	1,070,105	50.0
Other revenue	879,105	169,632	(709,473)	(80.7)	1,758,209	9.6
Other income	59,896	259,829	199,933	333.8	119,792	216.9
Build America Bonds	296,267	297,214	947	0.3	592,533	50.2
Total gas system revenues	16,112,202	14,453,857	(1,658,345)	(10.3)	27,910,231	51.8
Telecommunications system:						
Sales of services	5,673,826	5,825,919	152,093	2.7	11,347,652	51.3
Transfer from/(to) rate stabilization	2,705,446	-	(2,705,446)	(100.0)	5,410,891	-
Other revenue	17,500	22,902	5,402	30.9	35,000	65.4
Other income	4,430	67,205	62,775	1,417.0	8,860	758.5
Total telecommunications system revenues	8,401,202	5,916,026	(2,485,176)	(29.6)	16,802,403	35.2
TOTAL REVENUES	203,391,337	192,919,069	(10,472,268)	(5.1)	425,433,397	45.3

**The composition of the rate stabilization funds has been changed to recognize funds generated through a series of restructuring transactions with the intent to defease debt. The budgeted amount of the funds was projected at the time of the restructuring transactions and will not match actual amounts due to the fact that a portion of these transactions were based on variable rate debt issues.

**Gainesville Regional Utilities
Combined Systems
Budget to Actual Comparison
For the Period Ended March 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over/Under Budget</u>	<u>% Variance</u>	<u>FY20 Budget</u>	<u>YTD Actual as % of FY20 Budget</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Electric system:						
Fuel expenses	36,592,726	30,843,568	(5,749,158)	(15.7)	80,934,082	38.1
Operation and maintenance	31,872,465	31,826,360	(46,105)	(0.1)	63,744,930	49.9
Administrative and general	10,539,029	13,579,964	3,040,935	28.9	21,078,058	64.4
Total Electric System Expenses	79,004,220	76,249,892	(2,754,328)	(3.5)	165,757,070	46.0
Water system:						
Operation and maintenance	6,025,914	5,097,639	(928,275)	(15.4)	12,051,828	42.3
Administrative and general	3,281,094	2,922,293	(358,801)	(10.9)	6,562,188	44.5
Total Water System Expenses	9,307,008	8,019,932	(1,287,076)	(13.8)	18,614,016	43.1
Wastewater system:						
Operation and maintenance	7,773,455	6,566,149	(1,207,306)	(15.5)	15,546,909	42.2
Administrative and general	3,715,250	3,252,022	(463,228)	(12.5)	7,430,499	43.8
Total Wastewater System Expenses	11,488,705	9,818,171	(1,670,534)	(14.5)	22,977,408	42.7
Gas system:						
Fuel expense and purchased gas	5,250,595	4,101,761	(1,148,834)	(21.9)	8,601,893	47.7
Operation and maintenance	821,083	1,319,337	498,254	60.7	1,642,166	80.3
Administrative and general	1,939,494	1,493,734	(445,760)	(23.0)	3,878,988	38.5
Total Gas System Expenses	8,011,172	6,914,832	(1,096,340)	(13.7)	14,123,047	49.0
Telecommunications system:						
Operation and maintenance	4,287,155	3,293,054	(994,101)	(23.2)	8,574,309	38.4
Administrative and general	394,144	637,818	243,674	61.8	788,287	80.9
Total Telecommunications System Expenses	4,681,299	3,930,872	(750,427)	(16.0)	9,362,596	42.0
TOTAL EXPENSES	112,492,404	104,933,699	(7,558,705)	(6.7)	230,834,137	45.5
NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION:						
Total electric system	56,845,554	52,848,556	(3,996,998)	(7.0)	126,960,260	41.6
Total water system	9,469,640	11,035,371	1,565,731	16.5	20,654,710	53.4
Total wastewater system	12,762,806	14,577,264	1,814,458	14.2	25,757,299	56.6
Total gas system	8,101,030	7,539,025	(562,005)	(6.9)	13,787,184	54.7
Total telecommunications system	3,719,903	1,985,154	(1,734,749)	(46.6)	7,439,807	26.7
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	90,898,933	87,985,370	(2,913,563)	(3.2)	194,599,260	45.2
LESS:						
Debt service	49,556,911	48,916,142	(640,769)	(1.3)	99,113,821	49.4
UPIF contributions	21,928,635	21,928,635	-	-	43,857,271	50.0
Transfer to City of Gainesville General Fund	19,142,500	19,142,500	-	-	38,285,000	50.0
Transfer to Debt Defeasance	6,671,586	7,081,218	409,632	6.1	13,343,168	53.1
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ (6,400,699)	\$ (9,083,125)	\$ (2,682,426)	41.9	\$ -	-

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Gainesville Regional Utilities
Electric System
Budget to Actual Comparison
For the Period Ended March 31, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over/<Under> Budget</u>	<u>% Variance</u>	<u>FY20 Budget</u>	<u>YTD Actual as % of FY20 Budget</u>
REVENUES:						
Residential	\$ 34,995,086	\$ 33,183,465	\$ (1,811,621)	(5.2)	\$ 77,400,495	42.9
Non-residential	42,296,589	42,029,882	(266,707)	(0.6)	89,858,911	46.8
Fuel adjustment	36,592,726	30,843,568	(5,749,158)	(15.7)	80,934,082	38.1
Sales for resale	1,179,823	1,803,812	623,989	52.9	2,604,638	69.3
Utility surcharge	2,072,371	1,974,228	(98,143)	(4.7)	4,492,848	43.9
Other electric sales	10,946,804	9,603,819	(1,342,985)	(12.3)	21,893,607	43.9
Total Sales of Electricity	128,083,399	119,438,774	(8,644,625)	(6.7)	277,184,581	43.1
Transfer from/(to) rate stabilization	2,937,434	2,937,434	-	-	5,874,869	50.0
Other revenue	3,129,924	2,620,369	(509,555)	(16.3)	6,259,848	41.9
Other income	285,313	2,683,646	2,398,333	840.6	570,625	470.3
Build America Bonds	1,413,704	1,418,225	4,521	0.3	2,827,407	50.2
Total Revenues	135,849,774	129,098,448	(6,751,326)	(5.0)	292,717,330	44.1
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Fuel expenses	36,592,726	30,843,568	(5,749,158)	(15.7)	80,934,082	38.1
Power production	23,639,954	21,372,400	(2,267,554)	(9.6)	47,279,908	45.2
Transmission and distribution	8,232,511	10,453,960	2,221,449	27.0	16,465,022	63.5
Administrative and general	10,539,029	13,579,964	3,040,935	28.9	21,078,058	64.4
Total Operation, Maintenance and Administrative Expenses	79,004,220	76,249,892	(2,754,328)	(3.5)	165,757,070	46.0
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	56,845,554	52,848,556	(3,996,998)	(7.0)	126,960,260	41.63
LESS:						
Debt service	38,131,349	37,649,604	(481,745)	(1.3)	76,262,698	49.4
UPIF contributions	10,589,687	10,589,687	-	-	21,179,375	50.0
Transfer to City of Gainesville General Fund	11,207,934	11,207,934	-	-	22,415,868	50.0
Transfer to Debt Defeasance	3,551,160	3,921,123	369,963	10.4	7,102,319	55.2
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ (6,634,576)	\$ (10,519,792)	\$ (3,885,216)	58.6	\$ -	-

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**Gainesville Regional Utilities
Water System
Budget to Actual Comparison
For the Period Ended March 31, 2020**

	Budget	Actual	Actual Over/<Under> Budget	% Variance	FY20 Budget	YTD Actual as % of FY20 Budget
REVENUES:						
Residential	\$ 10,471,741	\$ 10,570,517	\$ 98,776	0.9	\$ 22,132,905	47.8
Non-residential	5,362,965	5,631,747	268,782	5.0	11,129,717	50.6
Utility surcharge	1,237,998	1,279,961	41,963	3.4	2,598,217	49.3
Total Sales of Water	17,072,704	17,482,225	409,521	2.4	35,860,839	48.8
Transfer from/(to) rate stabilization	(523,593)	(523,593)	-	-	(1,047,186)	50.0
Other revenue	1,610,000	1,313,664	(296,336)	(18.4)	3,220,000	40.8
Other income	216,896	381,085	164,189	75.7	433,792	87.8
Build America Bonds	400,641	401,922	1,281	0.3	801,281	50.2
Total Revenues	18,776,648	19,055,303	278,655	1.5	39,268,726	48.5
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Transmission and distribution	1,887,650	1,470,708	(416,942)	(22.1)	3,775,300	39.0
Treatment	4,138,264	3,626,931	(511,333)	(12.4)	8,276,528	43.8
Administrative and general	3,281,094	2,922,293	(358,801)	(10.9)	6,562,188	44.5
Total Operation, Maintenance and Administrative Expenses	9,307,008	8,019,932	(1,287,076)	(13.8)	18,614,016	43.1
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	9,469,640	11,035,371	1,565,731	16.5	20,654,710	53.4
LESS:						
Debt service	3,596,998	3,556,302	(40,696)	(1.1)	7,193,996	49.4
UPIF contributions	3,397,121	3,397,121	-	-	6,794,242	50.0
Transfer to City of Gainesville General Fund	2,678,036	2,678,036	-	-	5,356,071	50.0
Transfer to Debt Defeasance	655,201	669,151	13,950	2.1	1,310,401	51.1
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ (857,716)	\$ 734,761	\$ 1,592,477	(185.7)	\$ -	-

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**Gainesville Regional Utilities
Wastewater System
Budget to Actual Comparison
For the Period Ended March 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over/<Under> Budget</u>	<u>% Variance</u>	<u>FY20 Budget</u>	<u>YTD Actual as % of FY20 Budget</u>
REVENUES:						
Residential	\$ 13,908,734	\$ 13,819,334	\$ (89,400)	(0.6)	\$ 27,744,223	49.8
Non-residential	5,335,987	5,299,899	(36,088)	(0.7)	10,960,679	48.4
Utility surcharge	1,467,010	1,503,312	36,302	2.5	2,950,247	51.0
Total Sales of Services	20,711,731	20,622,545	(89,186)	(0.4)	41,655,149	49.5
Transfer from/(to) rate stabilization	426,842	426,842	-	-	853,683	50.0
Other revenue	2,511,733	2,506,421	(5,312)	(0.2)	5,023,466	49.9
Other income	142,579	379,535	236,956	166.2	285,158	133.1
Build America Bonds	458,626	460,092	1,466	0.3	917,251	50.2
Total Revenues	24,251,511	24,395,435	143,924	0.6	48,734,707	50.1
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Collection	2,506,031	2,202,584	(303,447)	(12.1)	5,012,061	43.9
Treatment	5,267,424	4,363,565	(903,859)	(17.2)	10,534,848	41.4
Administrative and general	3,715,250	3,252,022	(463,228)	(12.5)	7,430,499	43.8
Total Operation, Maintenance and Administrative Expenses	11,488,705	9,818,171	(1,670,534)	(14.5)	22,977,408	42.7
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	12,762,806	14,577,264	1,814,458	14.2	25,757,299	56.6
LESS:						
Debt service	4,385,350	4,338,838	(46,512)	(1.1)	8,770,700	49.5
UPIF contributions	4,171,708	4,171,708	-	-	8,343,416	50.0
Transfer to City of Gainesville General Fund	3,430,336	3,430,336	-	-	6,860,672	50.0
Transfer to Debt Defeasance	891,256	910,239	18,983	2.1	1,782,511	51.1
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ (115,844)	\$ 1,726,143	\$ 1,841,987	(1,590.1)	\$ -	-

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**Gainesville Regional Utilities
Gas System
Budget to Actual Comparison
For the Period Ended March 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over<Under> Budget</u>	<u>% Variance</u>	<u>FY20 Budget</u>	<u>YTD Actual as % of FY20 Budget</u>
REVENUES:						
Residential	\$ 5,278,690	\$ 4,931,149	\$ (347,541)	(6.6)	\$ 8,647,919	57.0
Non-residential	2,897,491	3,056,044	158,553	5.5	5,374,582	56.9
Fuel adjustment	5,250,595	4,101,761	(1,148,834)	(21.9)	8,601,893	47.7
Utility surcharge	291,114	327,987	36,873	12.7	497,215	66.0
Other gas sales	623,992	775,189	151,197	24.2	1,247,983	62.1
Total Sales of Gas	14,341,882	13,192,130	(1,149,752)	(8.0)	24,369,592	54.1
Transfer from/(to) rate stabilization	535,052	535,052	-	-	1,070,105	50.0
Other revenue	879,105	169,632	(709,473)	(80.7)	1,758,209	9.6
Other income	59,896	259,829	199,933	333.8	119,792	216.9
Build America Bonds	296,267	297,214	947	0.3	592,533	50.2
Total Revenues	16,112,202	14,453,857	(1,658,345)	(10.3)	27,910,231	51.8
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Fuel expense - purchased gas	5,250,595	4,101,761	(1,148,834)	(21.9)	8,601,893	47.7
Operation and maintenance	821,083	1,319,337	498,254	60.7	1,642,166	80.3
Administrative and general	1,939,494	1,493,734	(445,760)	(23.0)	3,878,988	38.5
Total Operation, Maintenance and Administrative Expenses	8,011,172	6,914,832	(1,096,340)	(13.7)	14,123,047	49.0
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	8,101,030	7,539,025	(562,005)	(6.9)	13,787,184	54.7
LESS:						
Debt service	2,086,332	2,072,213	(14,119)	(0.7)	4,172,663	49.7
UPIF contributions	3,324,731	3,324,731	-	-	6,649,462	50.0
Transfer to City of Gainesville General Fund	1,232,777	1,232,777	-	-	2,465,554	50.0
Transfer to Debt Defeasance	249,753	255,162	5,409	2.2	499,505	51.1
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ 1,207,437	\$ 654,142	\$ (553,295)	(45.8)	\$ -	-

**The composition of the rate stabilization funds has been changed to recognize funds generated through a series of restructuring transactions with the intent to defease debt. The budgeted amount of the funds was projected at the time of the restructuring transactions and will not match actual amounts due to the fact that a portion of these transactions were based on variable rate debt issues.

**Gainesville Regional Utilities
Telecommunications System
Budget to Actual Comparison
For the Period Ended March 31, 2020**

	Budget	Actual	Actual Over/<Under> Budget	% Variance	FY20 Budget	YTD Actual as % of FY20 Budget
REVENUES:						
Telecommunications	3,871,956	\$ 3,989,427	\$ 117,471	3.0	\$ 7,743,912	51.5
Trunking radio	888,453	850,087	(38,366)	(4.3)	1,776,906	47.8
Tower leasing	913,417	986,405	72,988	8.0	1,826,834	54.0
Total Sales of Services	5,673,826	5,825,919	152,093	2.7	11,347,652	51.3
Transfer from/(to) rate stabilization	2,705,446	-	(2,705,446)	(100.0)	5,410,891	-
Other revenue	17,500	22,902	5,402	30.9	35,000	65.4
Other income	4,430	67,205	62,775	1,417.0	8,860	758.5
Total Revenues	8,401,202	5,916,026	(2,485,176)	(29.6)	16,802,403	35.2
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Operation and maintenance	4,287,155	3,293,054	(994,101)	(23.2)	8,574,309	38.4
Administrative and general	394,144	637,818	243,674	61.8	788,287	80.9
Total Operation, Maintenance and Administrative Expenses	4,681,299	3,930,872	(750,427)	(16.0)	9,362,596	42.0
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	3,719,903	1,985,154	(1,734,749)	(46.6)	7,439,807	26.7
LESS:						
Debt service	1,356,882	1,299,185	(57,697)	(4.3)	2,713,764	47.9
UPIF contributions	445,388	445,388	-	-	890,776	50.0
Transfer to City of Gainesville General Fund	593,417	593,417	-	-	1,186,835	50.0
Transfer to Debt Defeasance	1,324,216	1,325,543	1,327	0.1	2,648,432	50.1
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ -	\$ (1,678,379)	\$ (1,678,379)	-	\$ -	-

**The composition of the rate stabilization funds has been changed to recognize funds generated through a series of restructuring transactions with the intent to defease debt. The budgeted amount of the funds was projected at the time of the restructuring transactions and will not match actual amounts due to the fact that a portion of these transactions were based on variable rate debt issues.