

Gainesville Regional Utilities

Budget to Actual Comparison

For the Period Ended March 31, 2019



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**Gainesville Regional Utilities
Budget to Actual Comparison
For the Period Ended March 31, 2019**

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Overview and Basis of Accounting

Gainesville Regional Utilities Budget to Actual Comparison For the Period Ended March 31, 2019

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, 2019.

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, 2019

Management's Discussion and Analysis

We offer readers this analysis of the budget to actual activities of GRU for the period ended March 31, 2019.

Budget Highlights

Combined Systems

- The combined systems withdrew \$6 million from rate stabilization for the period ended March 31, 2019.

Electric System

- Total sales of electricity are slightly less than budget as the system experienced lower residential and non-residential sales. Sales were less than plan in January as a result of mild weather. Fuel adjustment revenue increased 6.9% as natural gas fuel prices in the winter months were much higher than forecasted. The country experienced extreme winter weather in the central and northeast portions of the United States. Fuel revenue was adjusted upward through the fuel levelization balance to offset increased fuel costs. The fuel levelization balance had decreased such that it became necessary to increase the fuel adjustment rate effective May 1st. Fuel revenues match fuel expenses as a pass-through to customers.
- Other revenue is under budget by \$3.2 million due to the movement of revenue collected for the Enterprise Resource Planning (ERP) project. This revenue was moved to a regulatory liability account on the balance sheet until project implementation begins, most likely in the next fiscal year.
- Power production costs are less than expected in the first half because of lower contract costs related to outage events as well as lower electric expense at the South Energy Center facility from a change in the usage of a generation engine (7MW) instead of the turbine (4MW), both are part of the South Energy Center fleet of generation. The engine will be run for the foreseeable future until UF Health campus is further developed increasing the need for additional capacity.
- Transmission and distribution expenses are less than budgeted because tree trimming costs are not as planned for the first half of the year as well as deferred ERP related costs.
- Administrative and general expenses are below budget as the experienced vacancy rate is higher than the rate used for budget; the total rewards pay and compensation study

Gainesville Regional Utilities Budget to Actual Comparison For the Period Ended March 31, 2019

initiated in fiscal year 2017, budgeted for a portion of expected costs at \$420,148 in 2019 but has not been implemented yet.

Water System

- One thousand gallon unit (Kgal) water sales volume is slightly lower than budget for the first half of FY2019 with residential sales below budget and non-residential sales above budget. Rainfall for the first half of the year was greater than normal by over 3 inches or 18.5%.
- Other revenue is under budget by \$910,923 due to the movement of revenue collected for the ERP project to a regulatory liability account while the project is on hold.
- Treatment expenses are lower than budgeted due to lower electric costs and deferral of the ERP project.
- Administrative and general expenses are below budget as the experienced vacancy rate is higher than the rate used for budget; the total rewards pay and compensation study initiated in fiscal year 2017, budgeted for a portion of expected costs at \$112,726 in 2019 but has not been implemented yet.

Wastewater System

- Total revenues were nearly flat at 0.9% above budget with a decrease in residential sales offset by an increase in non-residential sales due to greater rainfall through the first half of the fiscal year.
- Other revenue is under budget by \$845,499 due to the movement of revenue collected for the ERP project to a regulatory liability account while the project is on hold.
- Treatment expenses are lower than budgeted due to lower electric costs and deferral of the ERP project.
- Administrative and general expenses are below budget as the experienced vacancy rate is higher than the rate used for budget; the total rewards pay and compensation study initiated in fiscal year 2017, budgeted for a portion of expected costs at \$134,549 in 2019 but has not been implemented yet.

Gainesville Regional Utilities Budget to Actual Comparison For the Period Ended March 31, 2019

Gas System

- Residential gas sales came in lower than budgeted while non-residential sales came in higher. Residential gas therm sales for first half were 14.5% lower than budget while non-residential gas therm sales came in 2.1% higher than budget. Lower sales were due to a mild winter in the second quarter.
- Gas fuel adjustment and purchased gas expense are over budget due to higher natural gas costs as a result of extreme weather across the country.
- Operation and maintenance expense are lower due to deferred ERP related costs in order to perform thorough cost analyses.
- Administrative and general expenses are below budget as the experienced vacancy rate is higher than the rate used for budget; the total rewards pay and compensation study initiated in fiscal year 2017, budgeted for a portion of expected costs at \$45,050 in 2019 but has not been implemented yet.

Telecommunications System

- Total telecommunication revenues are up by 1.8% due to an increase in tower leasing.
- Operation and maintenance expense are lower due to deferred ERP related costs in order to perform thorough cost analyses.
- Administrative and general expenses are below budget as the experienced vacancy rate is higher than the rate used for budget; the total rewards pay and compensation study initiated in fiscal year 2017, budgeted for a portion of expected costs at \$36,526 in 2019 but has not been implemented yet.

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Budget to Actual Statements

**Gainesville Regional Utilities
Combined Utility Systems
Budget to Actual Comparison
For the Period Ended March 31, 2019**

	Budget	Actual	Actual Over/<Under> Budget	% Variance	FY19 Budget	YTD Actual as % of FY19 Budget
REVENUES:						
Electric system:						
Sales of electricity	\$ 86,325,060	\$ 82,386,809	\$ (3,938,251)	(4.6)	\$ 185,268,657	44.5
Fuel adjustment	37,804,773	40,426,946	2,622,173	6.9	83,811,322	48.2
Sales for resale	1,453,528	2,449,927	996,399	68.6	2,906,940	84.3
Transfer from/(to) rate stabilization	1,567,919	1,567,918	-	-	3,135,837	50.0
Other revenue	4,126,895	937,638	(3,189,257)	(77.3)	8,253,789	11.4
Other income (expense)	938,652	(209,647)	(1,148,299)	(122.3)	1,877,303	(11.2)
Build America Bonds	1,426,024	1,436,526	10,502	0.7	2,852,048	50.4
Total electric system revenues	133,642,850	128,996,117	(4,646,732)	(3.5)	288,105,896	44.8
Water system:						
Sales of water	16,612,657	16,569,841	(42,816)	(0.3)	35,001,771	47.3
Transfer from/(to) rate stabilization	76,062	-	-	-	152,124	50.0
Other revenue	1,438,264	527,341	(910,923)	(63.3)	2,876,527	18.3
Other income (expense)	185,032	(81,463)	(266,495)	(144.0)	370,063	(22.0)
Build America Bonds	402,851	405,817	2,967	0.7	805,701	50.4
Total water system revenues	18,714,864	17,497,598	(1,217,266)	(6.5)	39,206,186	44.6
Wastewater system:						
Sales of wastewater	20,124,553	20,312,591	188,038	0.9	40,436,149	50.2
Transfer from/(to) rate stabilization	794,041	794,041	-	-	1,588,082	50.0
Other revenue	1,956,109	1,110,610	(845,499)	(43.2)	3,912,217	28.4
Other income (expense)	215,313	(102,470)	(317,783)	(147.6)	430,625	(23.8)
Build America Bonds	459,292	462,674	3,383	0.7	918,583	50.4
Total wastewater system revenues	23,549,306	22,577,446	(971,860)	(4.1)	47,285,656	47.7
Gas system:						
Sales of gas	9,156,587	9,240,568	83,981	0.9	15,690,844	58.9
Fuel adjustment	5,181,006	5,608,724	427,718	8.3	8,449,129	66.4
Transfer from/(to) rate stabilization	2,556,079	2,556,079	1	-	5,112,157	50.0
Other revenue	879,105	52,593	(826,512)	(94.0)	1,758,209	3.0
Other income (expense)	137,396	(4,388)	(141,784)	(103.2)	274,792	(1.6)
Build America Bonds	298,758	300,958	2,200	0.7	597,516	50.4
Total gas system revenues	18,208,930	17,754,534	(454,396)	(2.5)	31,882,647	55.7
Telecommunications system:						
Sales of services	5,610,101	5,713,230	103,129	1.8	11,220,202	50.9
Transfer from/(to) rate stabilization	1,113,315	-	(1,113,315)	(100.0)	2,226,629	-
Other revenue	89,673	(85,941)	(175,614)	(195.8)	179,345	(47.9)
Other income (expense)	(10,119)	(83,902)	(73,784)	729.2	(20,237)	414.6
Total telecommunications system revenues	6,802,970	5,543,387	(1,259,583)	(18.5)	13,605,939	40.7
TOTAL REVENUES	200,918,920	192,369,082	(8,549,837)	(4.3)	420,086,324	45.8

**Gainesville Regional Utilities
Combined Utility Systems
Budget to Actual Comparison
For the Period Ended March 31, 2019**

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	Budget	Actual	Actual Over/<Under> Budget	% Variance	FY19 Budget	YTD Actual as % of FY19 Budget
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Electric system:						
Fuel expenses	37,804,773	40,426,946	2,622,173	6.9	83,811,322	48.2
Operation and maintenance	35,058,152	32,674,993	(2,383,159)	(6.8)	70,116,304	46.6
Administrative and general	10,991,825	7,834,372	(3,157,453)	(28.7)	21,983,649	35.6
Total Electric System Expenses	83,854,750	80,936,311	(2,918,439)	(3.5)	175,911,275	46.0
Water system:						
Operation and maintenance	6,554,860	5,835,135	(719,725)	(11.0)	13,109,719	44.5
Administrative and general	3,298,649	2,162,008	(1,136,641)	(34.5)	6,597,297	32.8
Total Water System Expenses	9,853,508	7,997,143	(1,856,365)	(18.8)	19,707,016	40.6
Wastewater system:						
Operation and maintenance	8,676,723	7,445,152	(1,231,571)	(14.2)	17,353,446	42.9
Administrative and general	3,143,095	2,357,358	(785,737)	(25.0)	6,286,189	37.5
Total Wastewater System Expenses	11,819,818	9,802,510	(2,017,308)	(17.1)	23,639,635	41.5
Gas system:						
Fuel expense and purchased gas	5,181,006	5,608,724	427,718	8.3	8,449,129	66.4
Operation and maintenance	1,628,792	1,469,011	(159,781)	(9.8)	3,257,583	45.1
Administrative and general	1,893,657	1,108,337	(785,320)	(41.5)	3,787,313	29.3
Total Gas System Expenses	8,703,454	8,186,072	(517,382)	(5.9)	15,494,025	52.8
Telecommunications system:						
Operation and maintenance	3,320,364	2,916,545	(403,819)	(12.2)	6,640,728	43.9
Administrative and general	505,177	444,025	(61,152)	(12.1)	1,010,353	43.9
Total Telecommunications System Expenses	3,825,541	3,360,570	(464,971)	(12.2)	7,651,081	43.9
TOTAL EXPENSES	118,057,069	110,282,606	(7,774,463)	(6.6)	242,403,032	45.5
NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION:						
Total electric system	49,788,100	48,059,806	(1,728,294)	(3.5)	112,194,621	42.8
Total water system	8,861,356	9,500,455	639,099	7.2	19,499,170	48.7
Total wastewater system	11,729,489	12,774,936	1,045,447	8.9	23,646,021	54.0
Total gas system	9,505,476	9,568,462	62,986	0.7	16,388,622	58.4
Total telecommunications system	2,977,429	2,182,817	(794,612)	(26.7)	5,954,858	36.7
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	82,861,850	82,086,476	(775,374)	(0.9)	177,683,292	46.2
LESS:						
Debt service	49,056,941	48,310,157	(746,784)	(1.5)	98,113,882	49.2
UPIF contributions	20,642,205	20,642,204	-	-	41,284,409	50.0
Transfer to City of Gainesville General Fund	19,142,501	19,142,501	-	-	38,285,001	50.0
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ (5,979,796)	\$ (6,008,386)	\$ (28,590)	0.5	\$ -	-

**Gainesville Regional Utilities
Electric Utility System
Budget to Actual Comparison
For the Period Ended March 31, 2019**

	Budget	Actual	Actual Over/<Under> Budget	% Variance	FY19 Budget	YTD Actual as % of FY19 Budget
REVENUES:						
Residential	\$ 32,821,300	\$ 31,349,827	\$ (1,471,473)	(4.5)	\$ 72,763,208	43.1
Non-residential	40,277,410	39,121,968	(1,155,442)	(2.9)	85,714,854	45.6
Fuel adjustment	37,804,773	40,426,946	2,622,173	6.9	83,811,322	48.2
Sales for resale	1,453,528	2,449,927	996,399	68.6	2,906,940	84.3
Utility surcharge	1,962,077	2,057,996	95,919	4.9	4,262,049	48.3
Other electric sales	11,264,273	9,857,018	(1,407,255)	(12.5)	22,528,546	43.8
Total Sales of Electricity	125,583,361	125,263,682	(319,679)	(0.3)	271,986,919	46.1
Transfer from/(to) rate stabilization	1,567,919	1,567,918	-	-	3,135,837	50.0
Other revenue	4,126,895	937,638	(3,189,257)	(77.3)	8,253,789	11.4
Other income (expense)	938,652	(209,647)	(1,148,299)	(122.3)	1,877,303	(11.2)
Build America Bonds	1,426,024	1,436,526	10,502	0.7	2,852,048	50.4
Total Revenues	133,642,850	128,996,117	(4,646,732)	(3.5)	288,105,896	44.8
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Fuel expenses	37,804,773	40,426,946	2,622,173	6.9	83,811,322	48.2
Power production	23,711,826	21,954,843	(1,756,983)	(7.4)	47,423,651	46.3
Transmission and distribution	11,346,327	10,720,150	(626,177)	(5.5)	22,692,653	47.2
Interchange	-	-	-	-	-	-
Administrative and general	10,991,825	7,834,372	(3,157,453)	(28.7)	21,983,649	35.6
Total Operation, Maintenance and Administrative Expenses	83,854,750	80,936,311	(2,918,439)	(3.5)	175,911,275	46.0
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	49,788,100	48,059,806	(1,728,294)	(3.5)	112,194,621	42.84
LESS:						
Debt service	36,704,045	36,318,054	(385,991)	(1.1)	73,408,090	49.5
UPIF contributions	11,435,332	11,435,331	-	-	22,870,663	50.0
Transfer to City of Gainesville General Fund	7,957,934	7,957,934	-	-	15,915,868	50.0
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ (6,309,210)	\$ (7,651,513)	\$ (1,342,303)	21.3	\$ -	-

**Gainesville Regional Utilities
Water Utility System
Budget to Actual Comparison
For the Period Ended March 31, 2019**

	Budget	Actual	Actual Over/<Under> Budget	% Variance	FY19 Budget	YTD Actual as % of FY19 Budget
REVENUES:						
Residential	\$ 10,355,206	\$ 10,124,140	\$ (231,066)	(2.2)	\$ 21,967,386	46.1
Non-residential	5,051,520	5,252,746	201,226	4.0	10,496,010	50.0
Utility surcharge	1,205,931	1,192,955	(12,976)	(1.1)	2,538,375	47.0
Total Sales of Water	16,612,657	16,569,841	(42,816)	(0.3)	35,001,771	47.3
Transfer from/(to) rate stabilization	76,062	76,062	-	-	152,124	50.0
Other revenue	1,438,264	527,341	(910,923)	(63.3)	2,876,527	18.3
Other income (expense)	185,032	(81,463)	(266,495)	(144.0)	370,063	(22.0)
Build America Bonds	402,851	405,817	2,967	0.7	805,701	50.4
Total Revenues	18,714,864	17,497,598	(1,217,266)	(6.5)	39,206,186	44.6
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Transmission and distribution	2,502,448	2,298,072	(204,376)	(8.2)	5,004,896	45.9
Treatment	4,052,412	3,537,063	(515,349)	(12.7)	8,104,823	43.6
Administrative and general	3,298,649	2,162,008	(1,136,641)	(34.5)	6,597,297	32.8
Total Operation, Maintenance and Administrative Expenses	9,853,508	7,997,143	(1,856,365)	(18.8)	19,707,016	40.6
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	8,861,356	9,500,455	639,099	7.2	19,499,170	48.7
LESS:						
Debt service	3,674,104	3,596,722	(77,382)	(2.1)	7,348,207	48.9
UPIF contributions	3,397,446	3,397,446	-	-	6,794,891	50.0
Transfer to City of Gainesville General Fund	2,678,036	2,678,036	-	-	5,356,072	50.0
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ (888,229)	\$ (171,749)	\$ 716,480	(80.7)	\$ -	-

**Gainesville Regional Utilities
Wastewater Utility System
Budget to Actual Comparison
For the Period Ended March 31, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over/<Under> Budget</u>	<u>% Variance</u>	<u>FY19 Budget</u>	<u>YTD Actual as % of FY19 Budget</u>
REVENUES:						
Residential	\$ 13,771,494	\$ 13,439,132	\$ (332,362)	(2.4)	\$ 27,458,416	48.9
Non-residential	4,928,216	5,429,568	501,352	10.2	10,114,764	53.7
Utility surcharge	1,424,842	1,443,891	19,049	1.3	2,862,969	50.4
Total Sales of Services	<u>20,124,553</u>	<u>20,312,591</u>	<u>188,038</u>	<u>0.9</u>	<u>40,436,149</u>	<u>50.2</u>
Transfer from/(to) rate stabilization	794,041	794,041	-	-	1,588,082	50.0
Other revenue	1,956,109	1,110,610	(845,499)	(43.2)	3,912,217	28.4
Other income (expense)	215,313	(102,470)	(317,783)	(147.6)	430,625	(23.8)
Build America Bonds	459,292	462,674	3,383	0.7	918,583	50.4
Total Revenues	<u>23,549,306</u>	<u>22,577,446</u>	<u>(971,860)</u>	<u>(4.1)</u>	<u>47,285,656</u>	<u>47.7</u>
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Collection	3,859,897	3,897,479	37,582	1.0	7,719,794	50.5
Treatment	4,816,826	3,547,673	(1,269,153)	(26.3)	9,633,652	36.8
Administrative and general	3,143,095	2,357,358	(785,737)	(25.0)	6,286,189	37.5
Total Operation, Maintenance and Administrative Expenses	<u>11,819,818</u>	<u>9,802,510</u>	<u>(2,017,308)</u>	<u>(17.1)</u>	<u>23,639,635</u>	<u>41.5</u>
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	<u>11,729,489</u>	<u>12,774,936</u>	<u>1,045,447</u>	<u>8.9</u>	<u>23,646,021</u>	<u>54.0</u>
LESS:						
Debt service	4,493,167	4,329,807	(163,360)	(3.6)	8,986,333	48.2
UPIF contributions	4,399,508	4,399,508	-	-	8,799,016	50.0
Transfer to City of Gainesville General Fund	2,930,336	2,930,336	-	-	5,860,672	50.0
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	<u>\$ (93,522)</u>	<u>\$ 1,115,285</u>	<u>\$ 1,208,807</u>	<u>(1,292.5)</u>	<u>\$ -</u>	<u>-</u>

**Gainesville Regional Utilities
Gas Utility System
Budget to Actual Comparison
For the Period Ended March 31, 2019**

	Budget	Actual	Actual Over/<Under> Budget	% Variance	FY19 Budget	YTD Actual as % of FY19 Budget
REVENUES:						
Residential	\$ 5,382,529	\$ 5,019,141	\$ (363,388)	(6.8)	\$ 8,777,770	57.2
Non-residential	2,861,100	3,085,228	224,128	7.8	5,180,805	59.6
Fuel adjustment	5,181,006	5,608,724	427,718	8.3	8,449,129	66.4
Utility surcharge	294,023	328,613	34,590	11.8	494,397	66.5
Other gas sales	618,936	807,586	188,650	30.5	1,237,872	65.2
Total Sales of Gas	14,337,593	14,849,292	511,699	3.6	24,139,973	61.5
Transfer from/(to) rate stabilization	2,556,079	2,556,079	1	0.0	5,112,157	50.0
Other revenue	879,105	52,593	(826,512)	(94.0)	1,758,209	3.0
Other income (expense)	137,396	(4,388)	(141,784)	(103.2)	274,792	(1.6)
Build America Bonds	298,758	300,958	2,200	0.7	597,516	50.4
Total Revenues	18,208,930	17,754,534	(454,396)	(2.5)	31,882,647	55.7
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Fuel expense - purchased gas	5,181,006	5,608,724	427,718	8.3	8,449,129	66.4
Operation and maintenance	1,628,792	1,469,011	(159,781)	(9.8)	3,257,583	45.1
Administrative and general	1,893,657	1,108,337	(785,320)	(41.5)	3,787,313	29.3
Total Operation, Maintenance and Administrative Expenses	8,703,454	8,186,072	(517,382)	(5.9)	15,494,025	52.8
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	9,505,476	9,568,462	62,986	0.7	16,388,622	58.4
LESS:						
Debt service	2,031,138	2,005,919	(25,219)	(1.2)	4,062,275	49.4
UPIF contributions	1,180,397	1,180,396	-	-	2,360,793	50.0
Transfer to City of Gainesville General Fund	4,982,777	4,982,777	-	-	9,965,554	50.0
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ 1,311,165	\$ 1,399,370	\$ 88,205	6.7	\$ -	-

**Gainesville Regional Utilities
Telecommunications Utility System
Budget to Actual Comparison
For the Period Ended March 31, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over/<Under> Budget</u>	<u>% Variance</u>	<u>FY19 Budget</u>	<u>YTD Actual as % of FY19 Budget</u>
REVENUES:						
Telecommunications	\$ 3,866,779	\$ 3,820,231	\$ (46,548)	(1.2)	\$ 7,733,558	49.4
Trunking radio	859,476	882,877	23,401	2.7	1,718,952	
Tower leasing	883,846	1,010,122	126,276	14.3	1,767,692	
Total Sales of Services	5,610,101	5,713,230	103,129	1.8	11,220,202	50.9
Transfer from/(to) rate stabilization	1,113,315	-	(1,113,315)	(100.0)	2,226,629	-
Other revenue	89,673	(85,941)	(175,614)	(195.8)	179,345	(47.9)
Other income (expense)	(10,119)	(83,902)	(73,784)	729.2	(20,237)	414.6
Total Revenues	6,802,970	5,543,387	(1,259,583)	(18.5)	13,605,939	40.7
OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:						
Operation and maintenance	3,320,364	2,916,545	(403,819)	(12.2)	6,640,728	43.9
Administrative and general	505,177	444,025	(61,152)	(12.1)	1,010,353	43.9
Total Operation, Maintenance and Administrative Expenses	3,825,541	3,360,570	(464,971)	(12.2)	7,651,081	43.9
TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION	2,977,429	2,182,817	(794,612)	(26.7)	5,954,858	36.7
LESS:						
Debt service	2,154,489	2,059,655	(94,834)	(4.4)	4,308,977	47.8
UPIF contributions	229,523	229,523	-	-	459,046	50.0
Transfer to City of Gainesville General Fund	593,418	593,418	-	-	1,186,835	50.0
NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)	\$ -	\$ (699,779)	\$ (699,779)	-	\$ -	-