

# **Gainesville Regional Utilities**

## **Budget to Actual Comparison**

**For the Period Ended December 31, 2018**



**Gainesville Regional Utilities  
Budget to Actual Comparison  
For the Period Ended December 31, 2018**

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# **Overview and Basis of Accounting**

# **Gainesville Regional Utilities Budget to Actual Comparison For the Period Ended December 31, 2018**

## **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 December 31, 2018.

## **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.

# **Management's Discussion and Analysis**

# **Gainesville Regional Utilities Budget to Actual Comparison For the Year Ended December 31, 2018**

## **Management's Discussion and Analysis**

We offer readers this analysis of the budget to actual activities of GRU for the year ended December 31, 2018.

## **Budget Highlights**

### **Combined Systems**

- The combined systems withdrew \$748,154 from rate stabilization for the year ended December 31, 2018.

### **Electric System**

- Total sales of electricity are 3.1% higher than plan driven by fuel adjustment revenue increases of 14.2%. Natural gas fuel prices in the winter months were much higher than planned as the country experienced extreme winter weather. With the increase in fuel expenses, the fuel adjustment revenue was adjusted through the fuel levelization balance to offset increased fuel costs. Fuel expenses follow fuel revenues as a pass-through to customers.
- Power production costs are lower than expected in the first quarter as lower contract costs and electric expense at the SEC facility are currently being experienced. This is expected to change in the remainder of the year. There are also cycles of power production costs as outages occur.
- A portion of operations and maintenance expense are lower than planned due to timing of common plant purchases.
- Administrative and general costs are lower as there is still a continued shift of these costs to operations and maintenance from the change in cost flows and business processes.
- Operations and maintenance expenses were below budget as the ERP project costs have been placed on hold; the total rewards pay and compensation study begun in fiscal year 2017 budgeted for a portion of expected costs at \$1 million in 2019 has not been implemented yet. This may not be implemented before year end, resulting in a currently expected budgeted expense reduction of \$1 million for all systems.

### **Water System**

- Kgal water sales volume is slightly lower than budgeted for the first quarter of FY2019. Planned Kgal sales of 1,775,947 verses actuals of 1,758,496 reflects a 1% variance.

**Gainesville Regional Utilities  
Budget to Actual Comparison  
For the Year Ended December 31, 2018**

- Other revenues are less than budget for first quarter due to lower connection charges. In prior years, the Utility experienced better than average commercial and residential development which has dropped in the first quarter of this fiscal year.
- A portion of operations and maintenance expense are lower than planned due to timing of common plant purchases.
- Administrative and general costs are lower as there is still a continued shift of these costs to operations and maintenance from the change in cost flows and business processes.
- Total expenses were below budget as the ERP project costs have been placed on hold; the total rewards pay and compensation study begun in fiscal year 2017 budgeted for a portion of expected costs at \$1 million in 2019 has not been implemented yet. This may not be implemented before year end, resulting in a currently expected budgeted expense reduction.

**Wastewater System**

- Including reclaimed water, wastewater kgals billed were nearly flat at 0.6% above plan.
- Other revenues are less than budget for first quarter due to lower connection charges. In prior years, the Utility experienced better than average commercial and residential development which has dropped in the first quarter of this fiscal year.
- A portion of operations and maintenance expense are lower than planned due to timing of common plant purchases.
- Administrative and general costs are lower as there is still a continued shift of these costs to operations and maintenance from the change in cost flows and business processes.
- Total expenses were below budget as the ERP project costs have been placed on hold; the total rewards pay and compensation study begun in fiscal year 2017 budgeted for a portion of expected costs at \$1 million in 2019 has not been implemented yet. This may not be implemented before year end, resulting in a currently expected budgeted expense reduction.



**Gainesville Regional Utilities  
Budget to Actual Comparison  
For the Year Ended December 31, 2018**

**Gas System**

- Combined gas sales for both residential and commercial came in higher than planned. Gas therm sales for first quarter were 2.3% higher.
- Gas fuel adjustment and purchased gas expense are over budget due to higher natural gas costs stemming from extreme weather across the country.
- A portion of operations and maintenance expense are lower than planned due to timing of common plant purchases.
- Administrative and general costs are lower as there is still a continued shift of these costs to operations and maintenance from the change in cost flows and business processes.
- Operations and maintenance expenses were below budget as the ERP project costs have been placed on hold; the total rewards pay and compensation study begun in fiscal year 2017 budgeted for a portion of expected costs at \$1 million in 2019 has not been implemented yet. This may not be implemented before year end, resulting in a currently expected budgeted expense reduction.

**Telecommunications (GRUCom) System**

- Total GRUCom revenues are up 8.9% with tower leasing driving the increase for first quarter.
- Total expenses were below budget as the ERP project costs have been placed on hold; the total rewards pay and compensation study begun in fiscal year 2017 budgeted for a portion of expected costs at \$1 million in 2019 has not been implemented yet. This may not be implemented before year end, resulting in a currently expected budgeted expense reduction.

## **Budget to Actual Statements**

**Gainesville Regional Utilities  
Combined Utility Systems  
Budget to Actual Comparison  
For the Period Ended December 31, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Actual Over/&lt;Under&gt; Budget</b>	<b>% Variance</b>	<b>FY19 Budget</b>	<b>YTD Actual as % of FY19 Budget</b>
<b>REVENUES:</b>						
Electric system:						
Sales of electricity	\$ 44,247,711	\$ 42,660,635	\$ (1,587,076)	(3.6)	\$ 185,268,657	23.0
Fuel adjustment	19,051,990	21,766,510	2,714,520	14.2	83,811,322	26.0
Sales for resale	856,675	1,705,334	848,659	99.1	2,906,940	58.7
Transfer from/(to) rate stabilization	783,959	783,959	-	-	3,135,837	25.0
Other revenue	2,063,447	134,185	(1,929,262)	(93.5)	8,253,789	1.6
Other income (expense)	469,326	(1,678,371)	(2,147,697)	(457.6)	1,877,303	(89.4)
Build America Bonds	713,012	718,263	5,251	0.7	2,852,048	25.2
<b>Total electric system revenues</b>	<b>68,186,120</b>	<b>66,090,515</b>	<b>(2,095,605)</b>	<b>(3.1)</b>	<b>288,105,896</b>	<b>22.9</b>
Water system:						
Sales of water	8,640,570	8,495,058	(145,512)	(1.7)	35,001,771	24.3
Transfer from/(to) rate stabilization	38,031	38,031	-	-	152,124	25.0
Other revenue	719,132	232,465	(486,667)	(67.7)	2,876,527	8.1
Other income (expense)	92,516	(92,372)	(184,888)	(199.8)	370,063	(25.0)
Build America Bonds	201,425	202,909	1,484	0.7	805,701	25.2
<b>Total water system revenues</b>	<b>9,691,673</b>	<b>8,876,091</b>	<b>(815,582)</b>	<b>(8.4)</b>	<b>39,206,186</b>	<b>22.6</b>
Wastewater system:						
Sales of wastewater	9,880,014	9,932,487	52,473	0.5	40,436,149	24.6
Transfer from/(to) rate stabilization	397,021	397,021	1	0.0	1,588,082	25.0
Other revenue	978,054	528,056	(449,998)	(46.0)	3,912,217	13.5
Other income (expense)	107,656	(140,390)	(248,046)	(230.4)	430,625	(32.6)
Build America Bonds	229,646	231,337	1,691	0.7	918,583	25.2
<b>Total wastewater system revenues</b>	<b>11,592,391</b>	<b>10,948,511</b>	<b>(643,880)</b>	<b>(5.6)</b>	<b>47,285,656</b>	<b>23.2</b>
Gas system:						
Sales of gas	3,687,241	4,090,108	402,867	10.9	15,690,844	26.1
Fuel adjustment	1,914,573	2,797,793	883,220	46.1	8,449,129	33.1
Transfer from/(to) rate stabilization	1,278,039	1,278,039	(0)	(0.0)	5,112,157	25.0
Other revenue	439,552	26,405	(413,147)	(94.0)	1,758,209	1.5
Other income (expense)	68,698	(3,382)	(72,080)	(104.9)	274,792	(1.2)
Build America Bonds	149,379	150,479	1,100	0.7	597,516	25.2
<b>Total gas system revenues</b>	<b>7,537,483</b>	<b>8,339,442</b>	<b>801,959</b>	<b>10.6</b>	<b>31,882,647</b>	<b>26.2</b>
Telecommunications system:						
Sales of services	2,805,051	3,054,743	249,693	8.9	11,220,202	27.2
Transfer from/(to) rate stabilization	556,657	-	(556,657)	(100.0)	2,226,629	-
Other revenue	44,836	(49,837)	(94,673)	(211.2)	179,345	(27.8)
Other income (expense)	(5,059)	(44,058)	(38,999)	770.8	(20,237)	217.7
<b>Total telecommunications system revenues</b>	<b>3,401,485</b>	<b>2,960,848</b>	<b>(440,637)</b>	<b>(13.0)</b>	<b>13,605,939</b>	<b>21.8</b>
<b>TOTAL REVENUES</b>	<b>100,409,152</b>	<b>97,215,407</b>	<b>(3,193,745)</b>	<b>(3.2)</b>	<b>420,086,324</b>	<b>23.1</b>

**Gainesville Regional Utilities  
Combined Utility Systems  
Budget to Actual Comparison  
For the Period Ended December 31, 2018**

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	Budget	Actual	Actual Over/<Under> Budget	% Variance	FY19 Budget	YTD Actual as % of FY19 Budget
<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>						
Electric system:						
Fuel expenses	19,051,990	21,766,510	2,714,520	14.2	83,811,322	26.0
Operation and maintenance	17,529,076	15,109,630	(2,419,446)	(13.8)	70,116,304	21.5
Administrative and general	5,495,912	2,638,572	(2,857,340)	(52.0)	21,983,649	12.0
<b>Total Electric System Expenses</b>	<b>42,076,978</b>	<b>39,514,712</b>	<b>(2,562,266)</b>	<b>(6.1)</b>	<b>175,911,275</b>	<b>22.5</b>
Water system:						
Operation and maintenance	3,277,430	2,827,592	(449,838)	(13.7)	13,109,719	21.6
Administrative and general	1,649,324	1,087,323	(562,001)	(34.1)	6,597,297	16.5
<b>Total Water System Expenses</b>	<b>4,926,754</b>	<b>3,914,915</b>	<b>(1,011,839)</b>	<b>(20.5)</b>	<b>19,707,016</b>	<b>19.9</b>
Wastewater system:						
Operation and maintenance	4,338,362	3,645,755	(692,607)	(16.0)	17,353,446	21.0
Administrative and general	1,571,547	1,177,524	(394,023)	(25.1)	6,286,189	18.7
<b>Total Wastewater System Expenses</b>	<b>5,909,909</b>	<b>4,823,279</b>	<b>(1,086,630)</b>	<b>(18.4)</b>	<b>23,639,635</b>	<b>20.4</b>
Gas system:						
Fuel expense and purchased gas	1,914,573	2,797,793	883,220	46.1	8,449,129	33.1
Operation and maintenance	814,396	721,902	(92,494)	(11.4)	3,257,583	22.2
Administrative and general	946,828	543,629	(403,199)	(42.6)	3,787,313	14.4
<b>Total Gas System Expenses</b>	<b>3,675,797</b>	<b>4,063,324</b>	<b>387,527</b>	<b>10.5</b>	<b>15,494,025</b>	<b>26.2</b>
Telecommunications system:						
Operation and maintenance	1,474,802	1,365,145	(109,657)	(7.4)	5,899,209	23.1
Administrative and general	437,968	242,213	(195,755)	(44.7)	1,751,872	13.8
<b>Total Telecommunications System Expenses</b>	<b>1,912,770</b>	<b>1,607,358</b>	<b>(305,412)</b>	<b>(16.0)</b>	<b>7,651,081</b>	<b>21.0</b>
<b>TOTAL EXPENSES</b>	<b>58,502,208</b>	<b>53,923,588</b>	<b>(4,578,620)</b>	<b>(7.8)</b>	<b>242,403,032</b>	<b>22.2</b>
<b>NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION:</b>						
Total electric system	26,109,142	26,575,803	466,661	1.8	112,194,621	23.7
Total water system	4,764,919	4,961,176	196,257	4.1	19,499,170	25.4
Total wastewater system	5,682,482	6,125,232	442,750	7.8	23,646,021	25.9
Total gas system	3,861,686	4,276,118	414,432	10.7	16,388,622	26.1
Total telecommunications system	1,488,715	1,353,490	(135,225)	(9.1)	5,954,858	22.7
<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<b>41,906,944</b>	<b>43,291,819</b>	<b>1,384,875</b>	<b>3.3</b>	<b>177,683,292</b>	<b>24.4</b>
<b>LESS:</b>						
Debt service	24,528,472	24,147,621	(380,851)	(1.6)	98,113,882	24.6
UPIF contributions	10,321,102	10,321,102	-	-	41,284,409	25.0
Transfer to City of Gainesville General Fund	9,571,250	9,571,250	-	-	38,285,001	25.0
<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<b>\$ (2,513,879)</b>	<b>\$ (748,154)</b>	<b>\$ 1,765,725</b>	<b>(70.2)</b>	<b>\$ -</b>	<b>-</b>

**Gainesville Regional Utilities**  
**Electric Utility System**  
**Budget to Actual Comparison**  
**For the Period Ended December 31, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Actual Over/&lt;Under&gt; Budget</b>	<b>% Variance</b>	<b>FY19 Budget</b>	<b>YTD Actual as % of FY19 Budget</b>
<b>REVENUES:</b>						
Residential	\$ 16,540,532	\$ 16,414,717	\$ (125,815)	(0.8)	\$ 72,763,208	22.6
Non-residential	21,064,425	20,080,509	(983,916)	(4.7)	85,714,854	23.4
Fuel adjustment	19,051,990	21,766,510	2,714,520	14.2	83,811,322	26.0
Sales for resale	856,675	1,705,334	848,659	99.1	2,906,940	58.7
Utility surcharge	1,010,617	1,020,550	9,933	1.0	4,262,049	23.9
Other electric sales	5,632,137	5,144,859	(487,278)	(8.7)	22,528,546	22.8
<b>Total Sales of Electricity</b>	<b>64,156,376</b>	<b>66,132,479</b>	<b>1,976,103</b>	<b>3.1</b>	<b>271,986,919</b>	<b>24.3</b>
Transfer from/(to) rate stabilization	783,959	783,959	-	-	3,135,837	25.0
Other revenue	2,063,447	134,185	(1,929,262)	(93.5)	8,253,789	1.6
Other income (expense)	469,326	(1,678,371)	(2,147,697)	(457.6)	1,877,303	(89.4)
Build America Bonds	713,012	718,263	5,251	0.7	2,852,048	25.2
<b>Total Revenues</b>	<b>68,186,120</b>	<b>66,090,515</b>	<b>(2,095,605)</b>	<b>(3.1)</b>	<b>288,105,896</b>	<b>22.9</b>
<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>						
Fuel expenses	19,051,990	21,766,510	2,714,520	14.2	83,811,322	26.0
Power production	11,855,913	9,916,259	(1,939,654)	(16.4)	47,423,651	20.9
Transmission and distribution	5,673,163	5,193,371	(479,792)	(8.5)	22,692,653	22.9
Interchange	-	-	-	-	-	-
Administrative and general	5,495,912	2,638,572	(2,857,340)	(52.0)	21,983,649	12.0
<b>Total Operation, Maintenance and Administrative Expenses</b>	<b>42,076,978</b>	<b>39,514,712</b>	<b>(2,562,266)</b>	<b>(6.1)</b>	<b>175,911,275</b>	<b>22.5</b>
<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<b>26,109,142</b>	<b>26,575,803</b>	<b>466,661</b>	<b>1.8</b>	<b>112,194,621</b>	<b>23.69</b>
<b>LESS:</b>						
Debt service	18,352,023	18,147,959	(204,064)	(1.1)	73,408,090	24.7
UPIF contributions	5,717,666	5,717,666	-	-	22,870,663	25.0
Transfer to City of Gainesville General Fund	3,978,967	3,978,967	-	-	15,915,868	25.0
<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<b>\$ (1,939,513)</b>	<b>\$ (1,268,789)</b>	<b>\$ 670,724</b>	<b>(34.6)</b>	<b>\$ -</b>	<b>-</b>

**Gainesville Regional Utilities  
Water Utility System  
Budget to Actual Comparison  
For the Period Ended December 31, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Actual Over/&lt;Under&gt; Budget</b>	<b>% Variance</b>	<b>FY19 Budget</b>	<b>YTD Actual as % of FY19 Budget</b>
<b>REVENUES:</b>						
Residential	\$ 5,368,609	\$ 5,234,463	\$ (134,146)	(2.5)	\$ 21,967,386	23.8
Non-residential	2,646,149	2,635,967	(10,182)	(0.4)	10,496,010	25.1
Utility surcharge	625,811	624,628	(1,183)	(0.2)	2,538,375	24.6
<b>Total Sales of Water</b>	<b>8,640,570</b>	<b>8,495,058</b>	<b>(145,512)</b>	<b>(1.7)</b>	<b>35,001,771</b>	<b>24.3</b>
Transfer from/(to) rate stabilization	38,031	38,031	-	-	152,124	25.0
Other revenue	719,132	232,465	(486,667)	(67.7)	2,876,527	8.1
Other income (expense)	92,516	(92,372)	(184,888)	(199.8)	370,063	(25.0)
Build America Bonds	201,425	202,909	1,484	0.7	805,701	25.2
<b>Total Revenues</b>	<b>9,691,673</b>	<b>8,876,091</b>	<b>(815,582)</b>	<b>(8.4)</b>	<b>39,206,186</b>	<b>22.6</b>
<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>						
Transmission and distribution	1,251,224	1,146,342	(104,882)	(8.4)	5,004,896	22.9
Treatment	2,026,206	1,681,250	(344,956)	(17.0)	8,104,823	20.7
Administrative and general	1,649,324	1,087,323	(562,001)	(34.1)	6,597,297	16.5
<b>Total Operation, Maintenance and Administrative Expenses</b>	<b>4,926,754</b>	<b>3,914,915</b>	<b>(1,011,839)</b>	<b>(20.5)</b>	<b>19,707,016</b>	<b>19.9</b>
<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<b>4,764,919</b>	<b>4,961,176</b>	<b>196,257</b>	<b>4.1</b>	<b>19,499,170</b>	<b>25.4</b>
<b>LESS:</b>						
Debt service	1,837,052	1,798,163	(38,889)	(2.1)	7,348,207	24.5
UPIF contributions	1,698,723	1,698,723	-	-	6,794,891	25.0
Transfer to City of Gainesville General Fund	1,339,018	1,339,018	-	-	5,356,072	25.0
<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<b>\$ (109,873)</b>	<b>\$ 125,272</b>	<b>\$ 235,145</b>	<b>(214.0)</b>	<b>\$ -</b>	<b>-</b>

**Gainesville Regional Utilities  
Wastewater Utility System  
Budget to Actual Comparison  
For the Period Ended December 31, 2018**

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over/&lt;Under&gt; Budget</u>	<u>% Variance</u>	<u>FY19 Budget</u>	<u>YTD Actual as % of FY19 Budget</u>
<b>REVENUES:</b>						
Residential	\$ 6,630,109	\$ 6,537,888	\$ (92,221)	(1.4)	\$ 27,458,416	23.8
Non-residential	2,550,539	2,678,839	128,300	5.0	10,114,764	26.5
Utility surcharge	699,366	715,760	16,394	2.3	2,862,969	25.0
<b>Total Sales of Services</b>	<b>9,880,014</b>	<b>9,932,487</b>	<b>52,473</b>	<b>0.5</b>	<b>40,436,149</b>	<b>24.6</b>
Transfer from/(to) rate stabilization	397,021	397,021	1	0.0	1,588,082	25.0
Other revenue	978,054	528,056	(449,998)	(46.0)	3,912,217	13.5
Other income (expense)	107,656	(140,390)	(248,046)	(230.4)	430,625	(32.6)
Build America Bonds	229,646	231,337	1,691	0.7	918,583	25.2
<b>Total Revenues</b>	<b>11,592,391</b>	<b>10,948,511</b>	<b>(643,880)</b>	<b>(5.6)</b>	<b>47,285,656</b>	<b>23.2</b>
<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>						
Collection	1,929,949	1,932,768	2,820	0.1	7,719,794	25.0
Treatment	2,408,413	1,712,987	(695,426)	(28.9)	9,633,652	17.8
Administrative and general	1,571,547	1,177,524	(394,023)	(25.1)	6,286,189	18.7
<b>Total Operation, Maintenance and Administrative Expenses</b>	<b>5,909,909</b>	<b>4,823,279</b>	<b>(1,086,630)</b>	<b>(18.4)</b>	<b>23,639,635</b>	<b>20.4</b>
<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<b>5,682,482</b>	<b>6,125,232</b>	<b>442,750</b>	<b>7.8</b>	<b>23,646,021</b>	<b>25.9</b>
<b>LESS:</b>						
Debt service	2,246,583	2,165,642	(80,941)	(3.6)	8,986,333	24.1
UPIF contributions	2,199,754	2,199,754	-	-	8,799,016	25.0
Transfer to City of Gainesville General Fund	1,465,168	1,465,168	-	-	5,860,672	25.0
<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<b>\$ (229,023)</b>	<b>\$ 294,668</b>	<b>\$ 523,691</b>	<b>(228.7)</b>	<b>\$ -</b>	<b>-</b>

**Gainesville Regional Utilities  
Gas Utility System  
Budget to Actual Comparison  
For the Period Ended December 31, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Actual Over/&lt;Under&gt; Budget</b>	<b>% Variance</b>	<b>FY19 Budget</b>	<b>YTD Actual as % of FY19 Budget</b>
<b>REVENUES:</b>						
Residential	\$ 1,989,043	\$ 2,177,234	\$ 188,191	9.5	\$ 8,777,770	24.8
Non-residential	1,273,235	1,415,440	142,205	11.2	5,180,805	27.3
Fuel adjustment	1,914,573	2,797,793	883,220	46.1	8,449,129	33.1
Utility surcharge	115,496	148,299	32,803	28.4	494,397	30.0
Other gas sales	309,468	349,135	39,667	12.8	1,237,872	28.2
<b>Total Sales of Gas</b>	<b>5,601,814</b>	<b>6,887,901</b>	<b>1,286,087</b>	<b>23.0</b>	<b>24,139,973</b>	<b>28.5</b>
Transfer from/(to) rate stabilization	1,278,039	1,278,039	(0)	(0.0)	5,112,157	25.0
Other revenue	439,552	26,405	(413,147)	(94.0)	1,758,209	1.5
Other income (expense)	68,698	(3,382)	(72,080)	(104.9)	274,792	(1.2)
Build America Bonds	149,379	150,479	1,100	0.7	597,516	25.2
<b>Total Revenues</b>	<b>7,537,483</b>	<b>8,339,442</b>	<b>801,959</b>	<b>10.6</b>	<b>31,882,647</b>	<b>26.2</b>
<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>						
Fuel expense - purchased gas	1,914,573	2,797,793	883,220	46.1	8,449,129	33.1
Operation and maintenance	814,396	721,902	(92,494)	(11.4)	3,257,583	22.2
Administrative and general	946,828	543,629	(403,199)	(42.6)	3,787,313	14.4
<b>Total Operation, Maintenance and Administrative Expenses</b>	<b>3,675,797</b>	<b>4,063,324</b>	<b>387,527</b>	<b>10.5</b>	<b>15,494,025</b>	<b>26.2</b>
<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<b>3,861,686</b>	<b>4,276,118</b>	<b>414,432</b>	<b>10.7</b>	<b>16,388,622</b>	<b>26.1</b>
<b>LESS:</b>						
Debt service	1,015,569	1,003,390	(12,179)	(1.2)	4,062,275	24.7
UPIF contributions	590,198	590,198	-	-	2,360,793	25.0
Transfer to City of Gainesville General Fund	2,491,388	2,491,388	-	-	9,965,554	25.0
<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<b>\$ (235,469)</b>	<b>\$ 191,142</b>	<b>\$ 426,611</b>	<b>(181.2)</b>	<b>\$ -</b>	<b>-</b>



Gainesville Regional Utilities  
Telecommunications Utility System  
Budget to Actual Comparison  
For the Period Ended December 31, 2018

	Budget	Actual	Actual Over/<Under> Budget	% Variance	FY19 Budget	YTD Actual as % of FY19 Budget
<b>REVENUES:</b>						
Telecommunications	\$ 1,933,390	\$ 1,896,955	\$ (36,435)	(1.9)	\$ 7,733,558	24.5
Trunking radio	429,738	439,280	9,542	2.2	1,718,952	25.6
Tower leasing	441,923	718,508	276,585	62.6	1,767,692	40.6
<b>Total Sales of Services</b>	<b>2,805,051</b>	<b>3,054,743</b>	<b>249,693</b>	<b>8.9</b>	<b>11,220,202</b>	<b>27.2</b>
Transfer from/(to) rate stabilization	556,657	-	(556,657)	(100.0)	2,226,629	-
Other revenue	44,836	(49,837)	(94,673)	(211.2)	179,345	(27.8)
Other income (expense)	(5,059)	(44,058)	(38,999)	770.8	(20,237)	217.7
<b>Total Revenues</b>	<b>3,401,485</b>	<b>2,960,848</b>	<b>(440,637)</b>	<b>(13.0)</b>	<b>13,605,939</b>	<b>21.8</b>
<b>OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES:</b>						
Operation and maintenance	1,474,802	1,365,145	(109,657)	(7.4)	5,899,209	23.1
Administrative and general	437,968	242,213	(195,755)	(44.7)	1,751,872	13.8
<b>Total Operation, Maintenance and Administrative Expenses</b>	<b>1,912,770</b>	<b>1,607,358</b>	<b>(305,412)</b>	<b>(16.0)</b>	<b>7,651,081</b>	<b>21.0</b>
<b>TOTAL NET REVENUES IN ACCORDANCE WITH BOND RESOLUTION</b>	<b>1,488,715</b>	<b>1,353,490</b>	<b>(135,225)</b>	<b>(9.1)</b>	<b>5,954,858</b>	<b>22.7</b>
<b>LESS:</b>						
Debt service	1,077,245	1,032,467	(44,778)	(4.2)	4,308,977	24.0
UPIF contributions	114,761	114,761	-	-	459,046	25.0
Transfer to City of Gainesville General Fund	296,709	296,709	-	-	1,186,835	25.0
<b>NET IMPACT TO RATE STABILIZATION - ADDITION (REDUCTION)</b>	<b>\$ -</b>	<b>\$ (90,447)</b>	<b>\$ (90,446)</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>