

Austin Energy Quarterly Financial Report

3rd Quarter FY 2023 (April-June)

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Austin Energy Director of Finance



August 2023

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Agenda

Quarterly Financial Report



Executive Summary



Financial Health



Budget to Actual



Financial Statements

Austin Energy Quarterly Financial Report

Executive Summary



Executive Summary



Austin Energy is in partial compliance with its **financial policies**. Debt and Operating policies are compliant. Cash and reserves total \$369m vs policy minimum of \$520m.



Working capital decreased by \$136m year over year, primarily due to impacts of power supply costs as well as Winter Storm Mara.



\$1.2B Operating Revenue

1% under budget, primarily due to timing of the base rate increase offset by increased usage due to weather and power supply revenue.



\$(1.3B) Operating Expense with transfers

4% over budget, primarily due to increased costs related to Winter Storm Mara and power supply.



Austin Energy's **bond rating** was reaffirmed by all three major credit rating agencies.



The **Power Supply Adjustment** is under recovered by \$54m as of June 2023.



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http://finance.austintexas.gov/web/controller/annual_comprehensive_financial_report/annual_comprehensive_financial_report_2022.pdf

Austin Energy Quarterly Financial Report

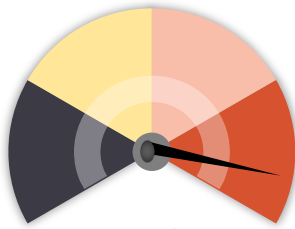
Financial Health



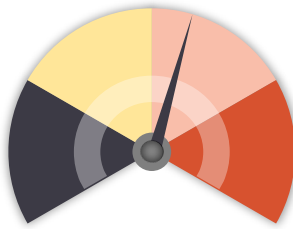
Financial Health

S&P Bond Rating AA-

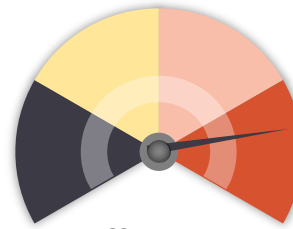
Excessive Deficient



Liquidity



Coverage



Efficiency



Leverage

Days Cash on Hand	Debt Service Coverage Ratio	Operating Margin	Debt to Capitalization
Minimum > 150 Days	Minimum > 2.5	Minimum > 10%	Minimum < 50%
Actual 93 Days	Actual 2.1	Actual 3.4%	Actual 56%



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Austin Energy Quarterly Financial Report

Budget to Actual



Budget to Actual - Fund Summary

Fiscal Year Through June 30, 2023

Millions of \$	Actual	Budget	Difference Favorable (Unfavorable)	%
Operating Revenues	\$1,166	\$1,183	(\$17)	(1%)
Operating Expenses	977	917	(60)	(7%)
Operating Income (Loss)	189	266	(77)	(29%)
Interest Revenue	14	5	9	172%
Debt Service	(108)	(107)	(1)	(1%)
Income (Loss) Before Transfers	95	164	(69)	(42%)
Administrative Support	(25)	(25)	0	0%
General Fund	(86)	(86)	0	0%
Economic Development	(7)	(7)	0	0%
CTM Fund	(6)	(6)	0	0%
Voluntary Utility Assistance Fund	(1)	(1)	0	0%
Other City Transfers	(3)	(3)	0	0%
Internal Transfers / CIP	(60)	(68)	8	11%
Excess (Deficiency) of Revenues	(93)	(\$32)	(\$61)	(190%)

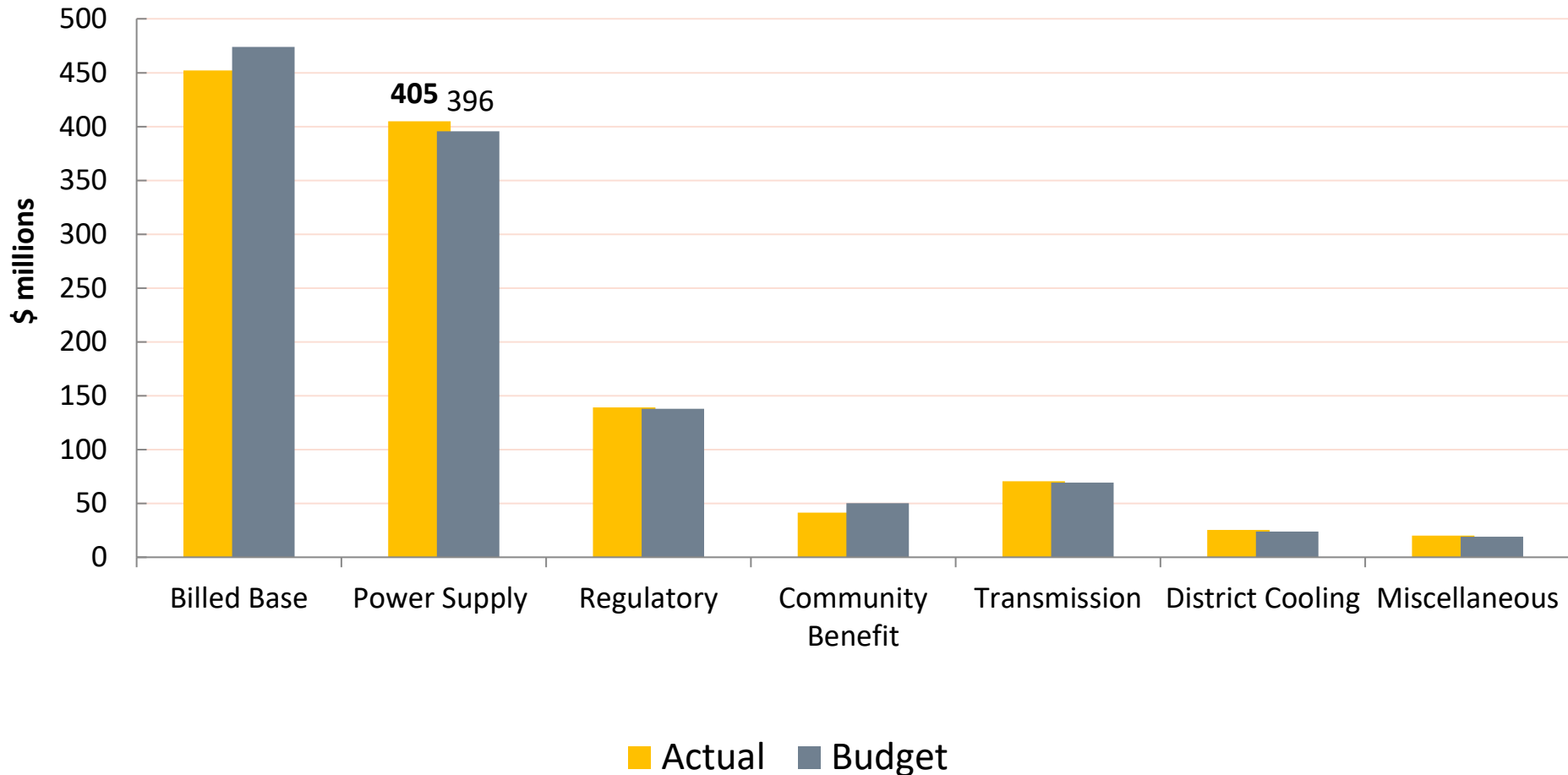


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Budget to Actual - Revenue

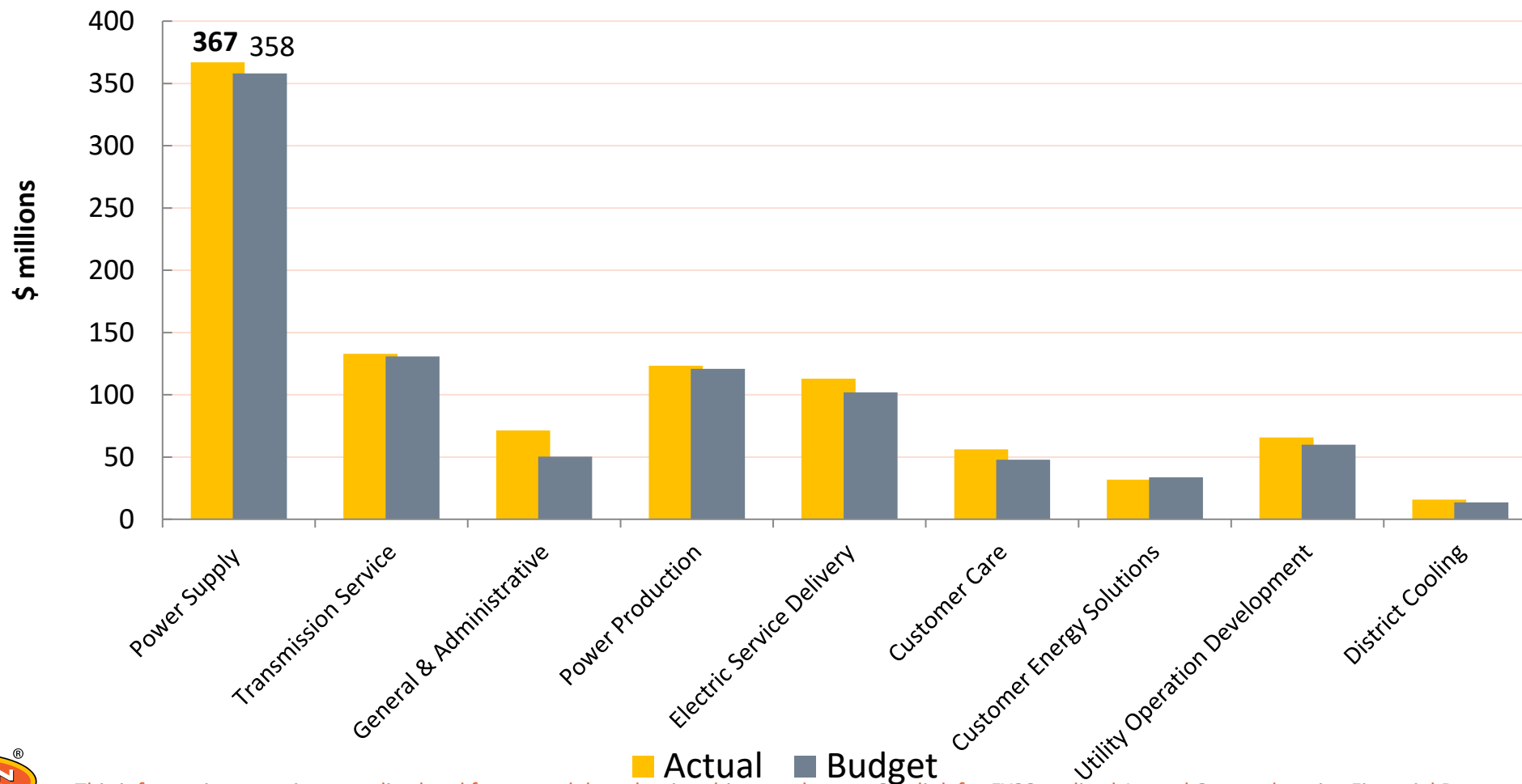
Fiscal Year Through June 30, 2023



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Budget to Actual - Expense

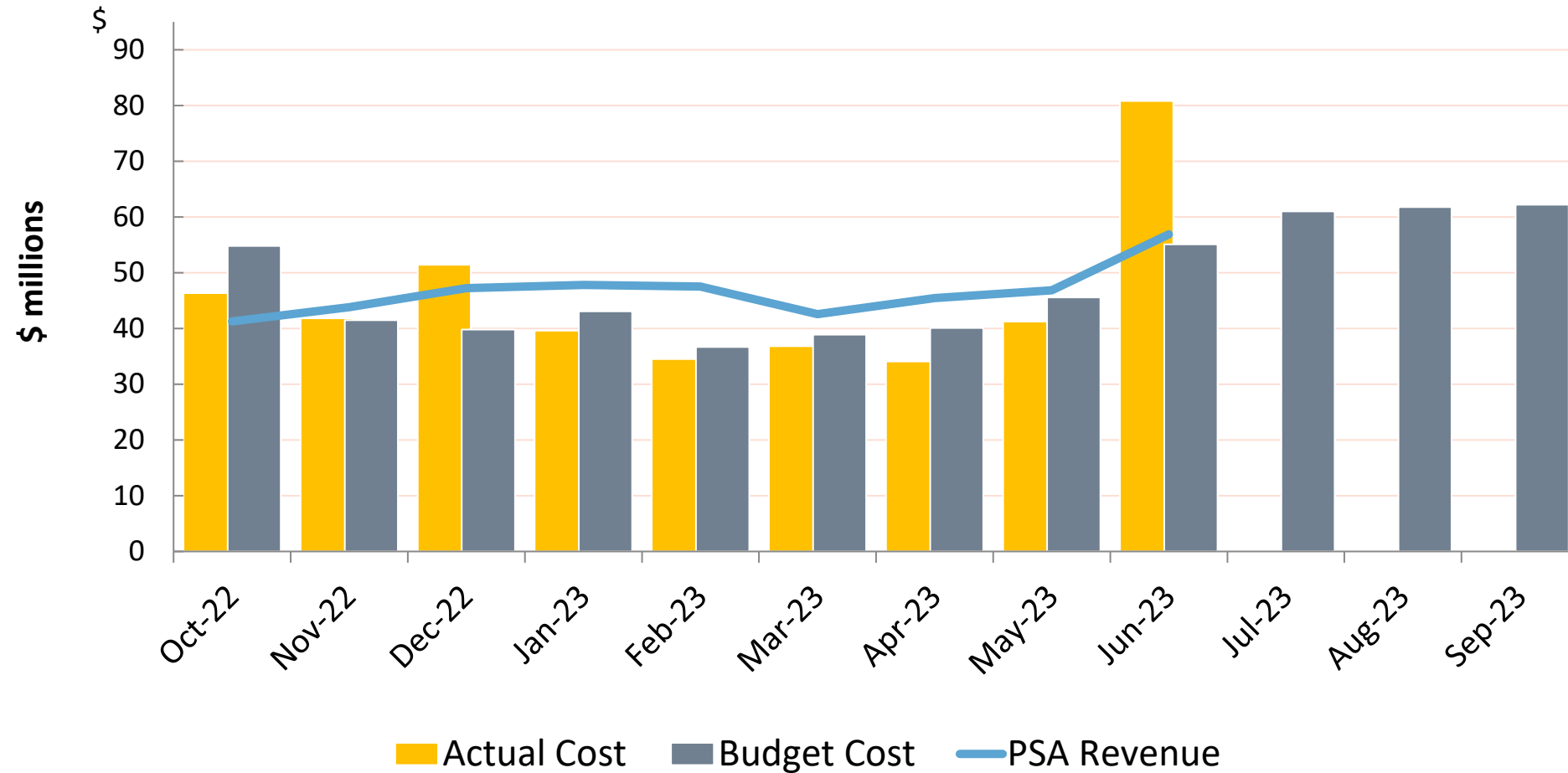
Fiscal Year Through June 30, 2023



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Budget to Actual - Power Supply Adjustment

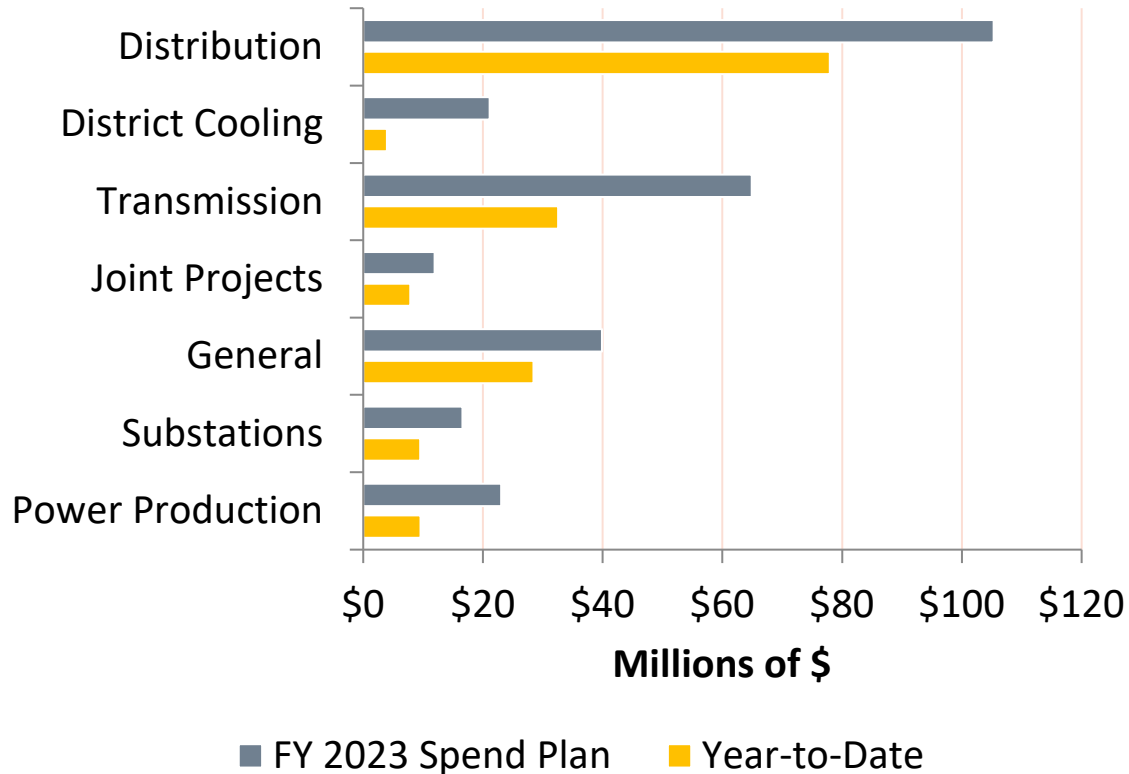


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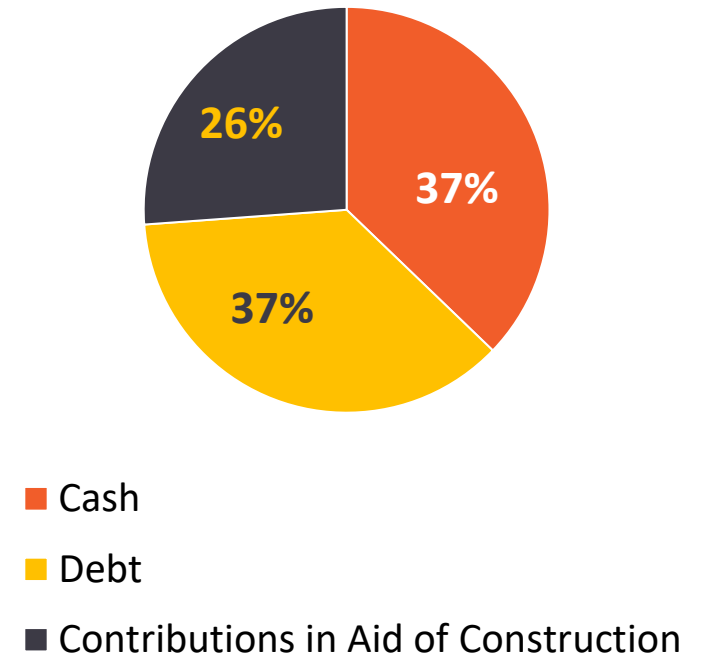
Capital Improvement Plan

Fiscal Year Through June 30, 2023

Type of Project
60% of Spend Plan



Type of Financing



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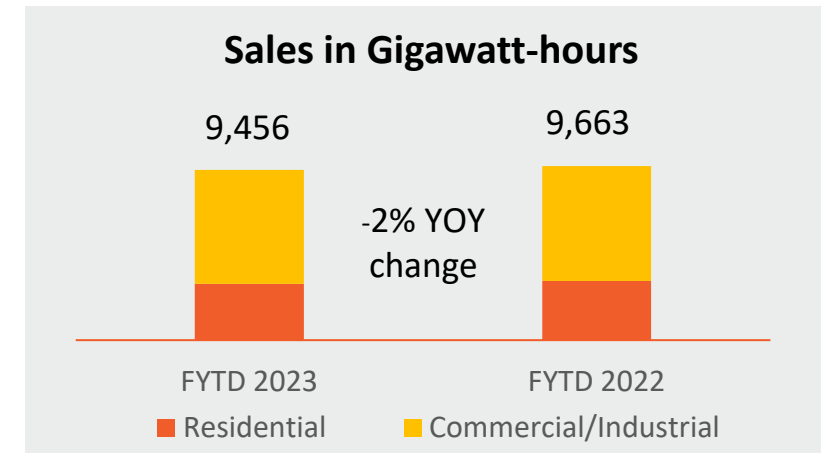
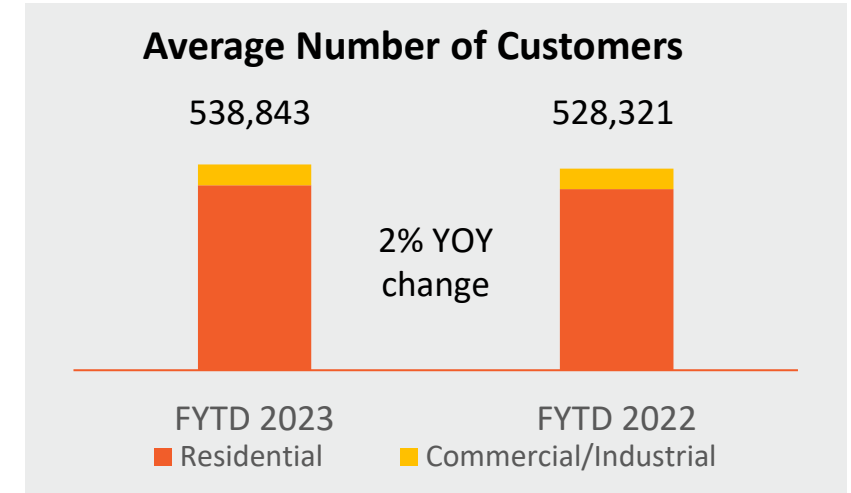
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Financial Statements



Income Statement

\$ in Millions	9 Months Ending	
	6/30/2023	6/30/2022
Operating Revenues	\$744	\$716
Power Supply Revenues	405	414
Power Supply Expenses	367	381
Non-Power Supply Expenses	613	550
Depreciation Expense	148	208
Operating Income (Loss)	\$21	(\$9)
Other Revenues (Expenses)	5	40
General Fund Transfer	(86)	(86)
Net Income (Loss)	(\$60)	(\$55)
Debt Service Coverage	2.1	1.9
Debt Capital Ratio	56%	55%



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Balance Sheet

\$ in Millions	6/30/2023	6/30/2022
Cash	\$86	\$222
Other Current Assets	362	290
Operating Reserves	283	290
Nuclear Decommissioning Reserve	252	245
Other Restricted Assets	334	292
Capital Assets	3,019	3,004
Other LT Assets & Deferred Outflows	1,765	1,685
Total Assets and Deferred Outflows	6,101	6,028
Other Current Liabilities	266	302
Revenue Bonds	2,125	1,971
Commercial Paper	40	145
Other LT Liabilities & Deferred Inflows	1,935	1,848
Retained Earnings	1,735	1,762
Total Liabilities, Deferred Inflows, and Fund Equity	6,101	6,028

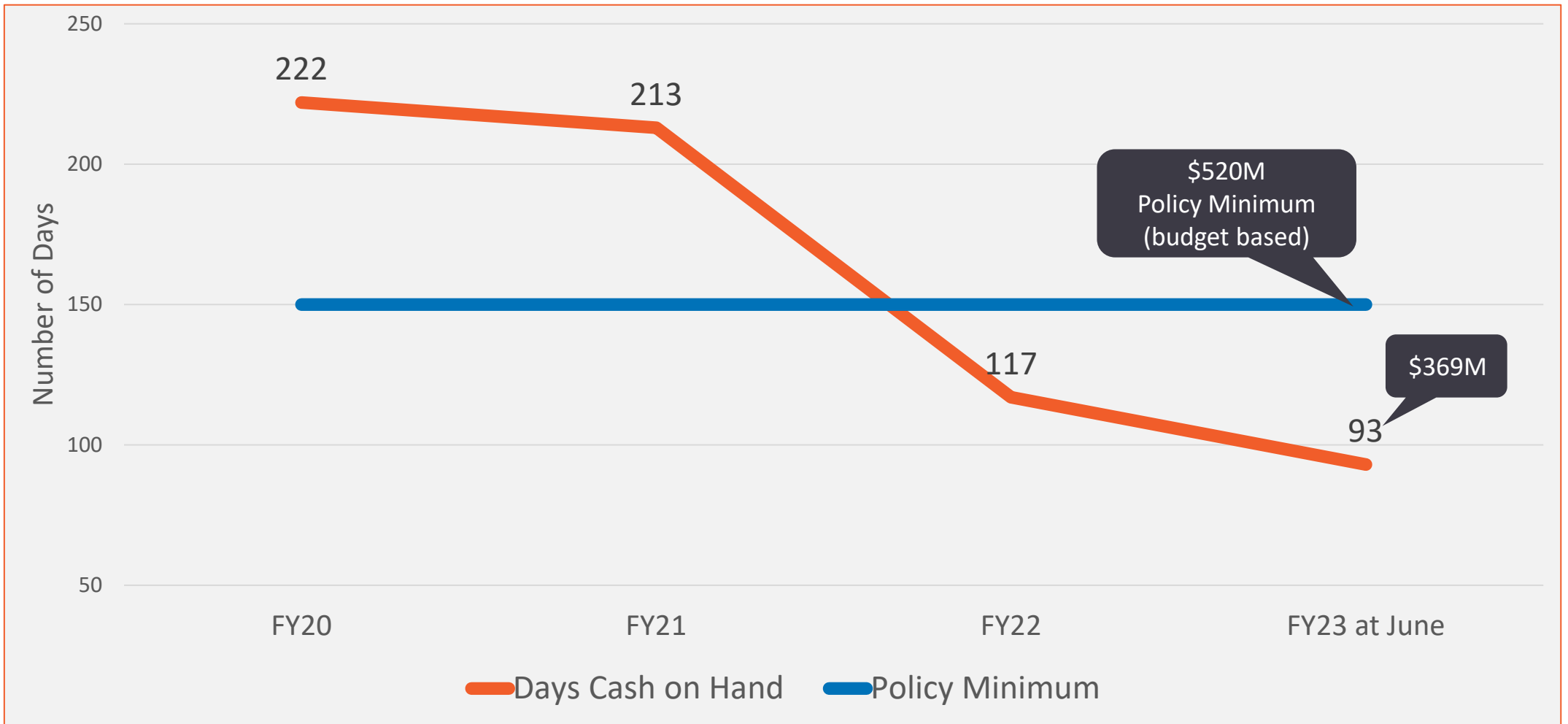
Cash and Reserves



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Days Cash on Hand Working Capital and Reserves





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