

# Austin Energy Quarterly Financial Report

3<sup>rd</sup> Quarter FY 2023 (April-June)

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Austin Energy Director of Finance



September 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.



This information contains unaudited and forecasted data that is subject to change. See link for FY22 audited Annual Comprehensive Financial Report: [http://finance.austintexas.gov/web/controller/annual\\_comprehensive\\_financial\\_report/annual\\_comprehensive\\_financial\\_report\\_2022.pdf](http://finance.austintexas.gov/web/controller/annual_comprehensive_financial_report/annual_comprehensive_financial_report_2022.pdf)

# Austin Energy Quarterly Financial Report

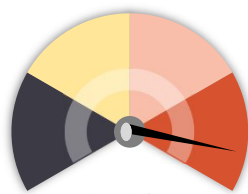
## Financial Health



# Financial Health

## S&P Bond Rating AA-

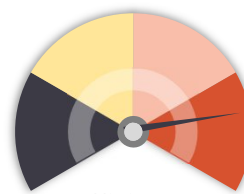
Excessive Deficient



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%)

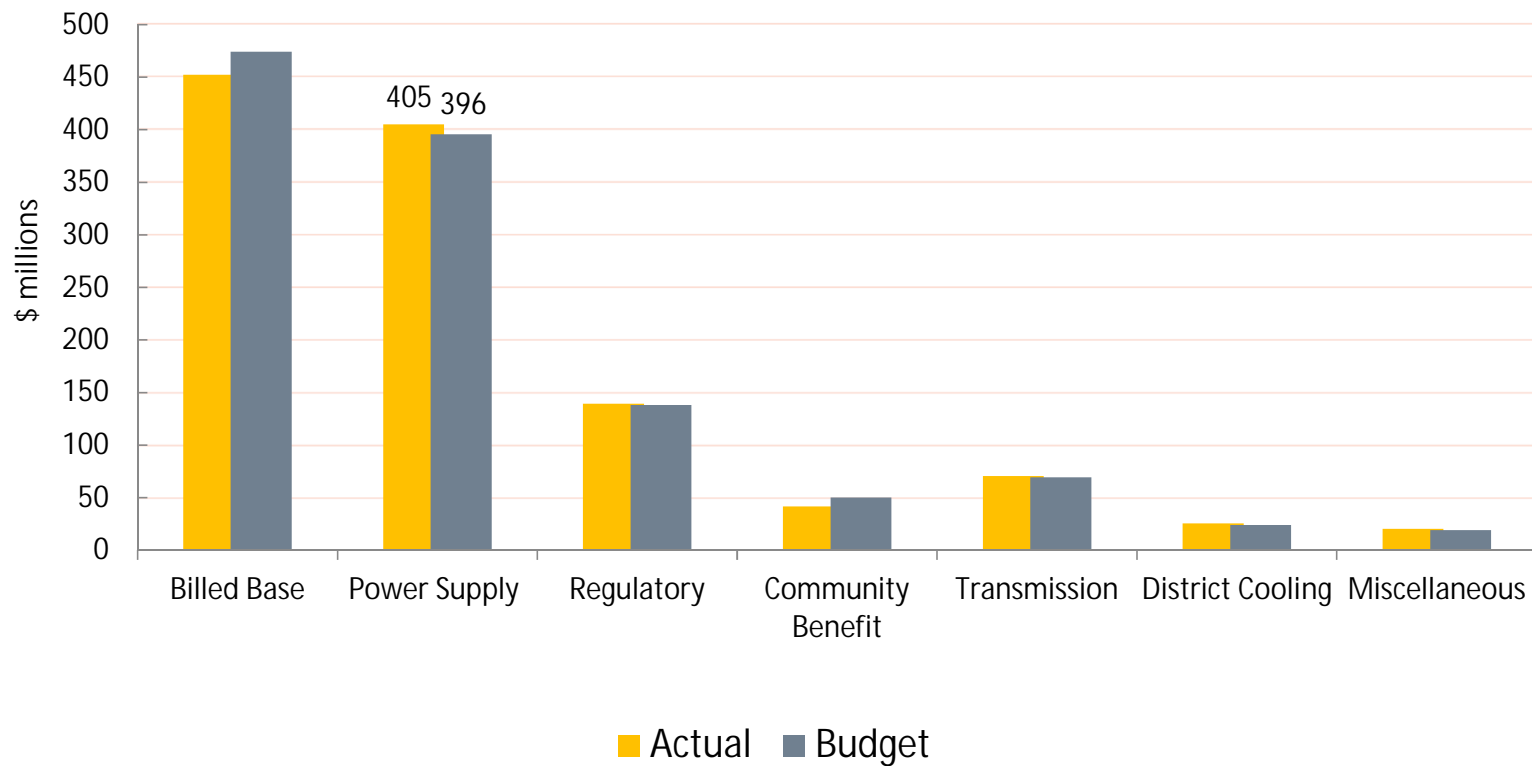


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# Budget to Actual - Revenue

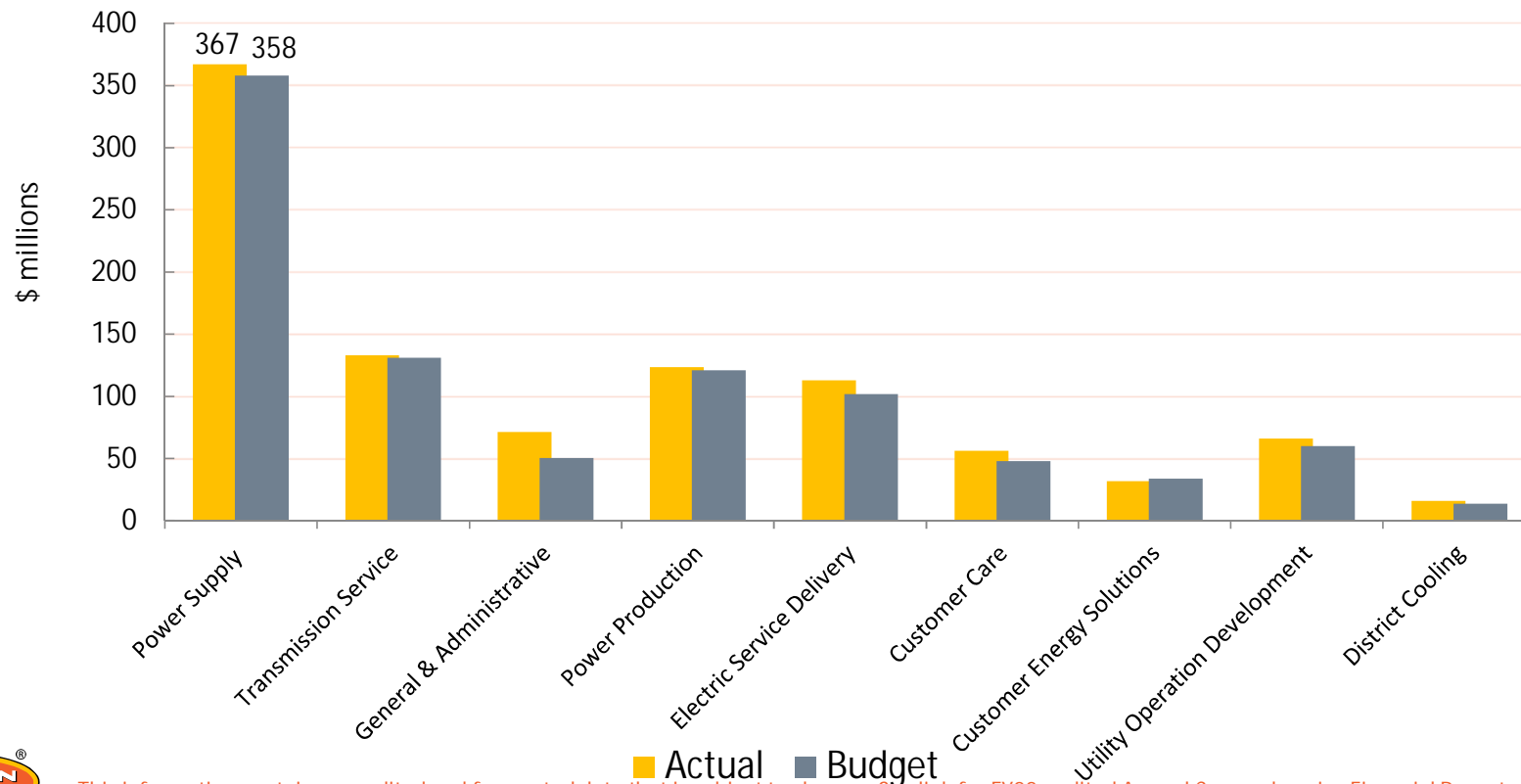
Fiscal Year Through June 30, 2023



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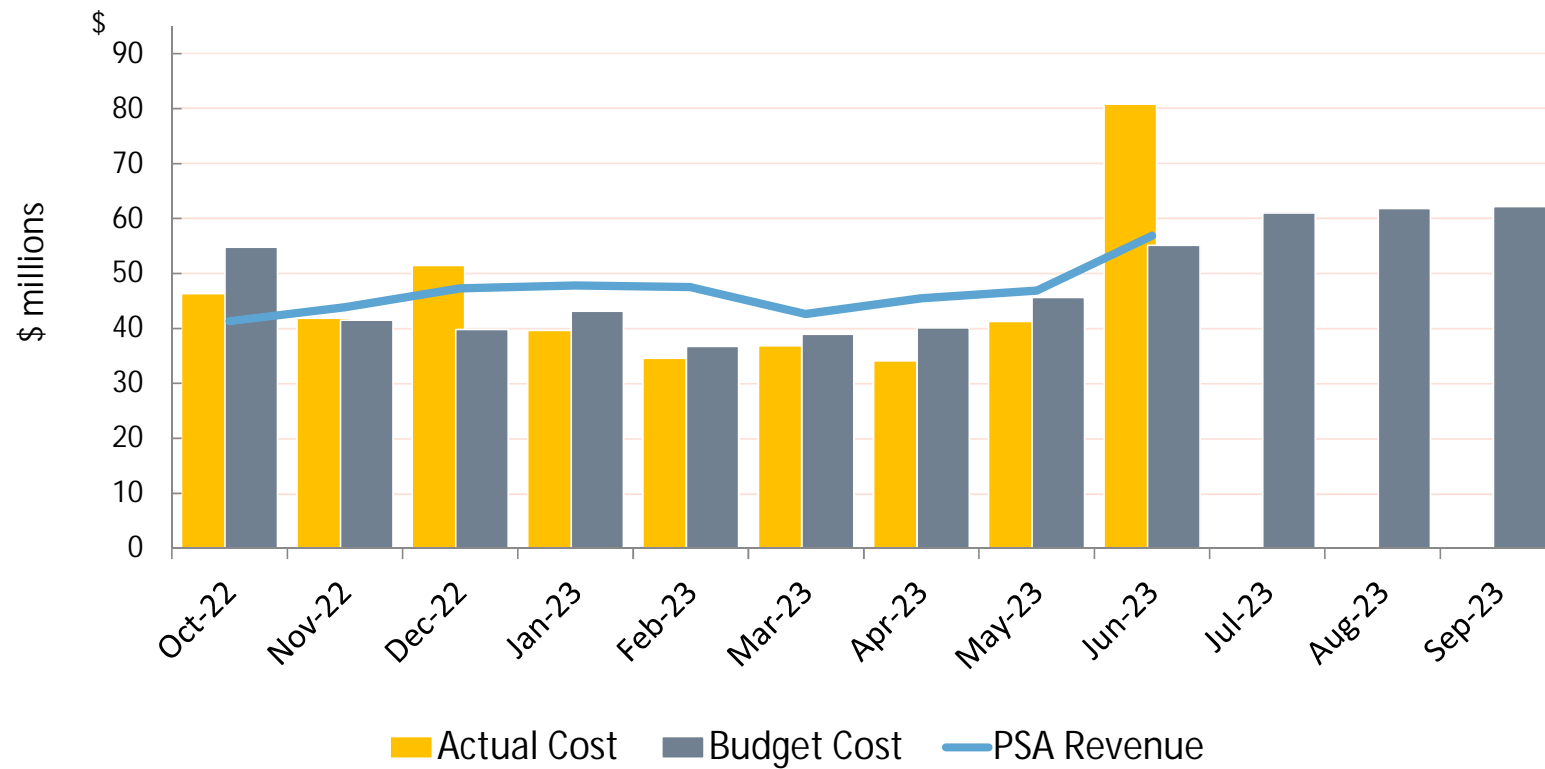
# Budget to Actual - Expense

Fiscal Year Through June 30, 2023



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# Budget to Actual - Power Supply Adjustment

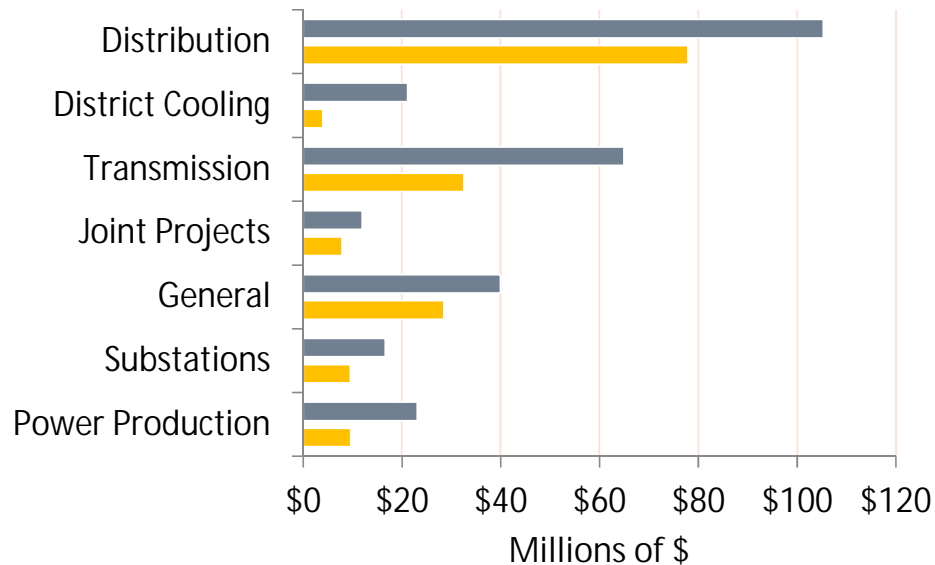


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# Capital Improvement Plan

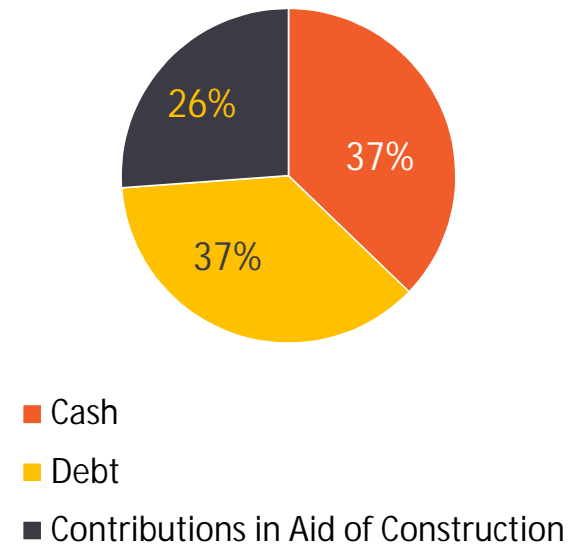
Fiscal Year Through June 30, 2023

Type of Project  
60% of Spend Plan



■ FY 2023 Spend Plan    ■ Year-to-Date

Type of Financing



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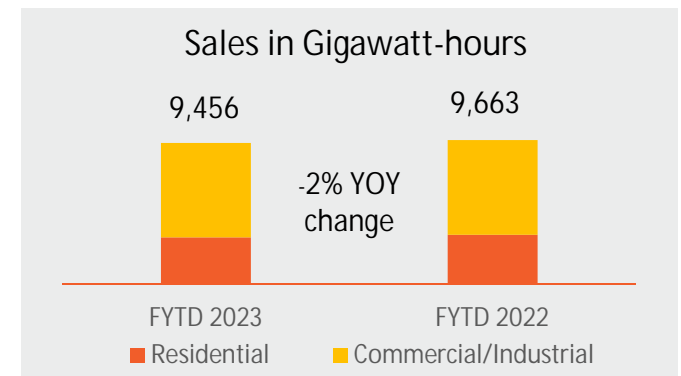
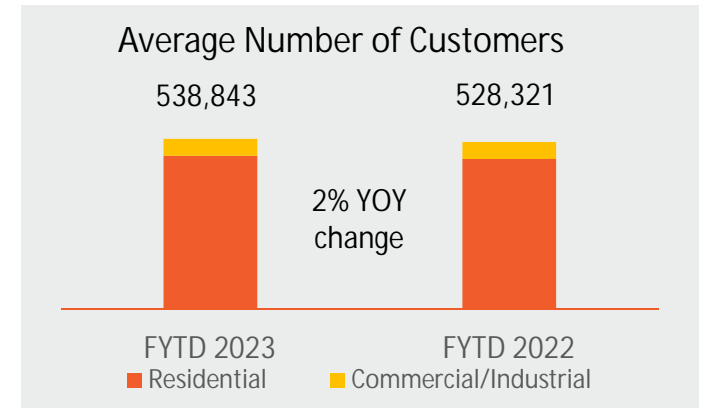
# Austin Energy Quarterly Financial Report

## 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

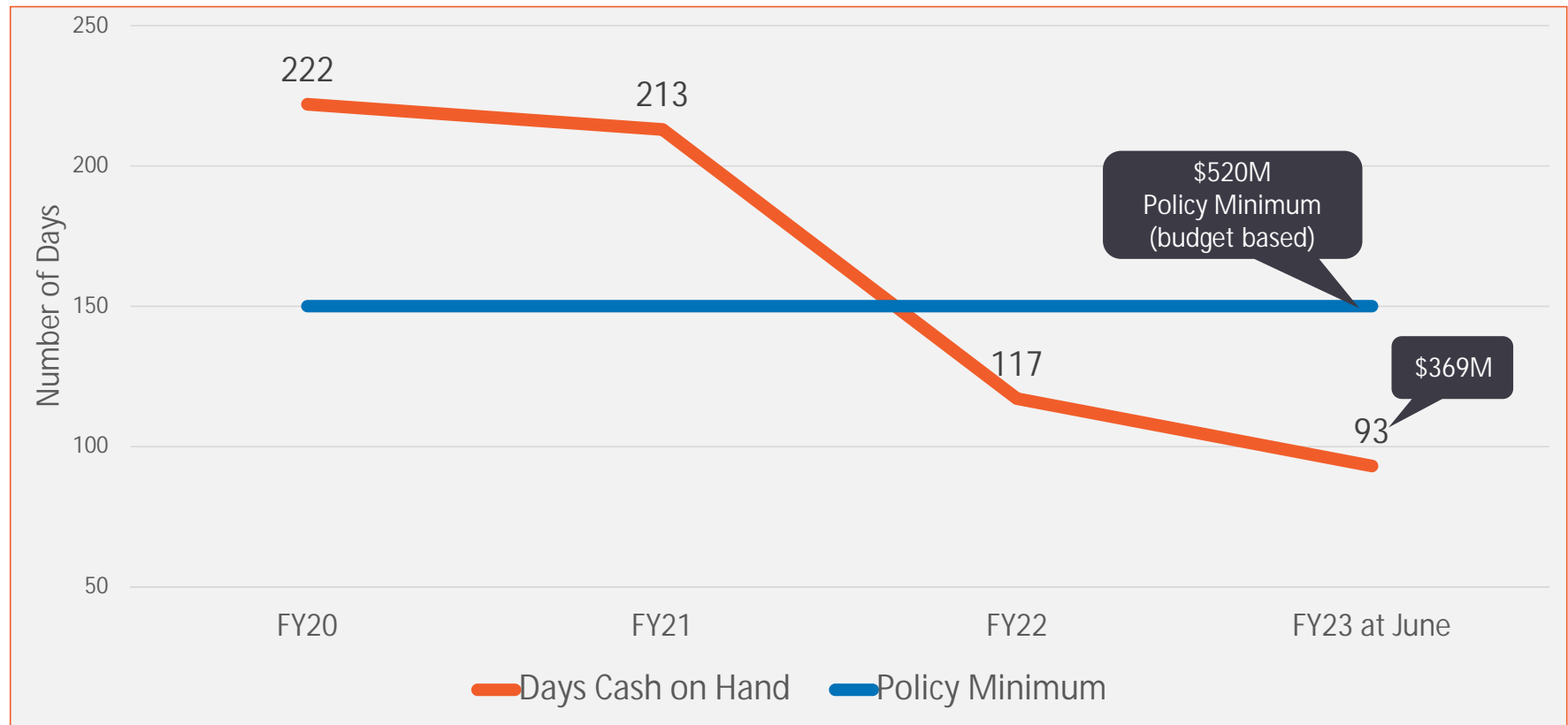
\$ in Millions	6/30/2023	6/30/2022
Cash	\$86	\$222
Other Current Assets	362	290
Operating Reserves	283	290
Nuclear Decommissioning Reserve	252	245
Other Restricted Assets	334	292
Capital Assets	3,019	3,004
Other LT Assets & Deferred Outflows	1,765	1,685
<b>Total Assets and Deferred Outflows</b>	<b>6,101</b>	<b>6,028</b>
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
<b>Total Liabilities, Deferred Inflows, and Fund Equity</b>	<b>6,101</b>	<b>6,028</b>

## Cash and Reserves



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# Days Cash on Hand Working Capital and Reserves







**Customer Driven.  
Community Focused.<sup>SM</sup>**



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