

Austin Energy Quarterly Financial Report

4th Quarter FY 2023 (July-September)

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Austin Energy Director of Finance



November 2023

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Agenda

Quarterly Financial Report



Austin Energy Quarterly Financial Report

Executive Summary



Executive Summary



\$1.9B Operating Revenue
with transfers

12% over budget, primarily due to power supply revenue related to extreme summer heat and market prices.



\$(1.8B) Operating Expense
with transfers

7% over budget, primarily due to increased power supply costs.



Austin Energy is in partial compliance with its **financial policies**. Debt and Operating policies are compliant. Cash and reserves total \$395m vs policy minimum of \$520m.



The **Power Supply Adjustment** is under recovered by \$115m as of September 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

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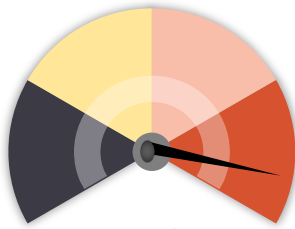
Financial Health



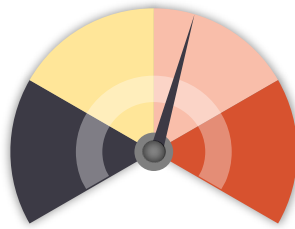
Financial Health

S&P Bond Rating AA-

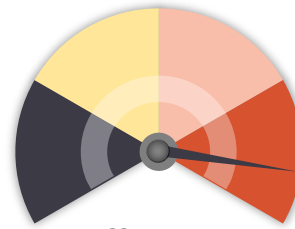
Excessive Deficient



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 92 Days	Actual 2.2	Actual 1.6%	Actual 56%



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Budget to Actual



Budget to Actual - Fund Summary

Millions of \$	Actual	Budget	Difference Favorable (Unfavorable)	%
Operating Revenues	\$1,795	\$1,669	\$126	8%
Operating Expenses	1,422	1,302	(120)	(9%)
Operating Income (Loss)	373	367	6	2%
Transfers In	82	12	70	583%
Interest Revenue	21	7	14	200%
Debt Service	(170)	(167)	(3)	2%
Income (Loss) Before Transfers	306	219	87	40%
Administrative Support	(33)	(33)	0	0%
General Fund	(105)	(105)	0	0%
Building Services	(10)	(10)	0	0%
Economic Development	(10)	(10)	0	0%
CTM Fund	(8)	(8)	0	0%
Voluntary Utility Assistance Fund	(2)	(2)	0	0%
Other City Transfers	(3)	(3)	0	0%
Internal Transfers / CIP	(67)	(76)	9	(12%)
Excess (Deficiency) of Revenues	\$68	(\$28)	\$96	(343%)

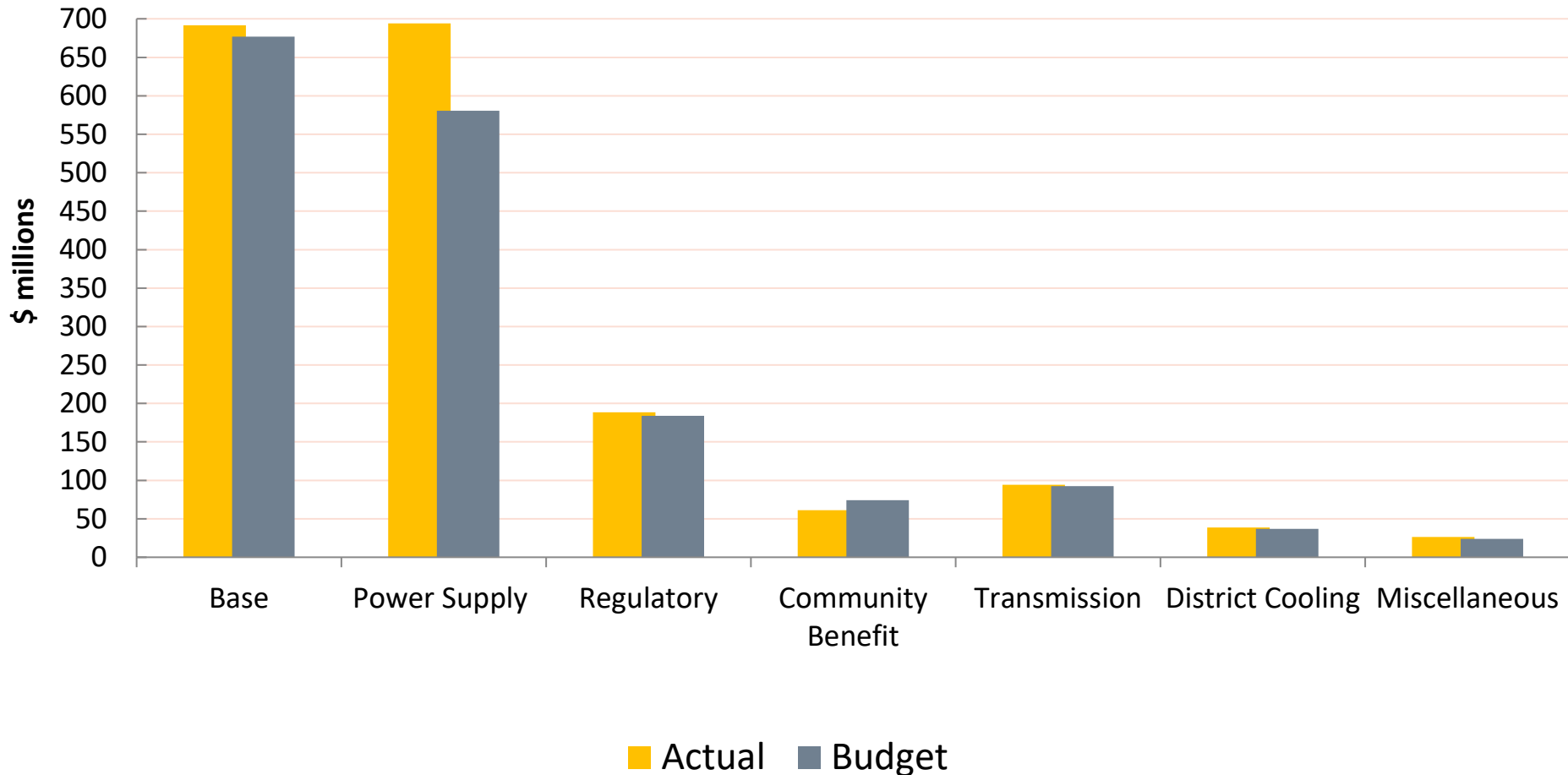


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Budget to Actual - Revenue

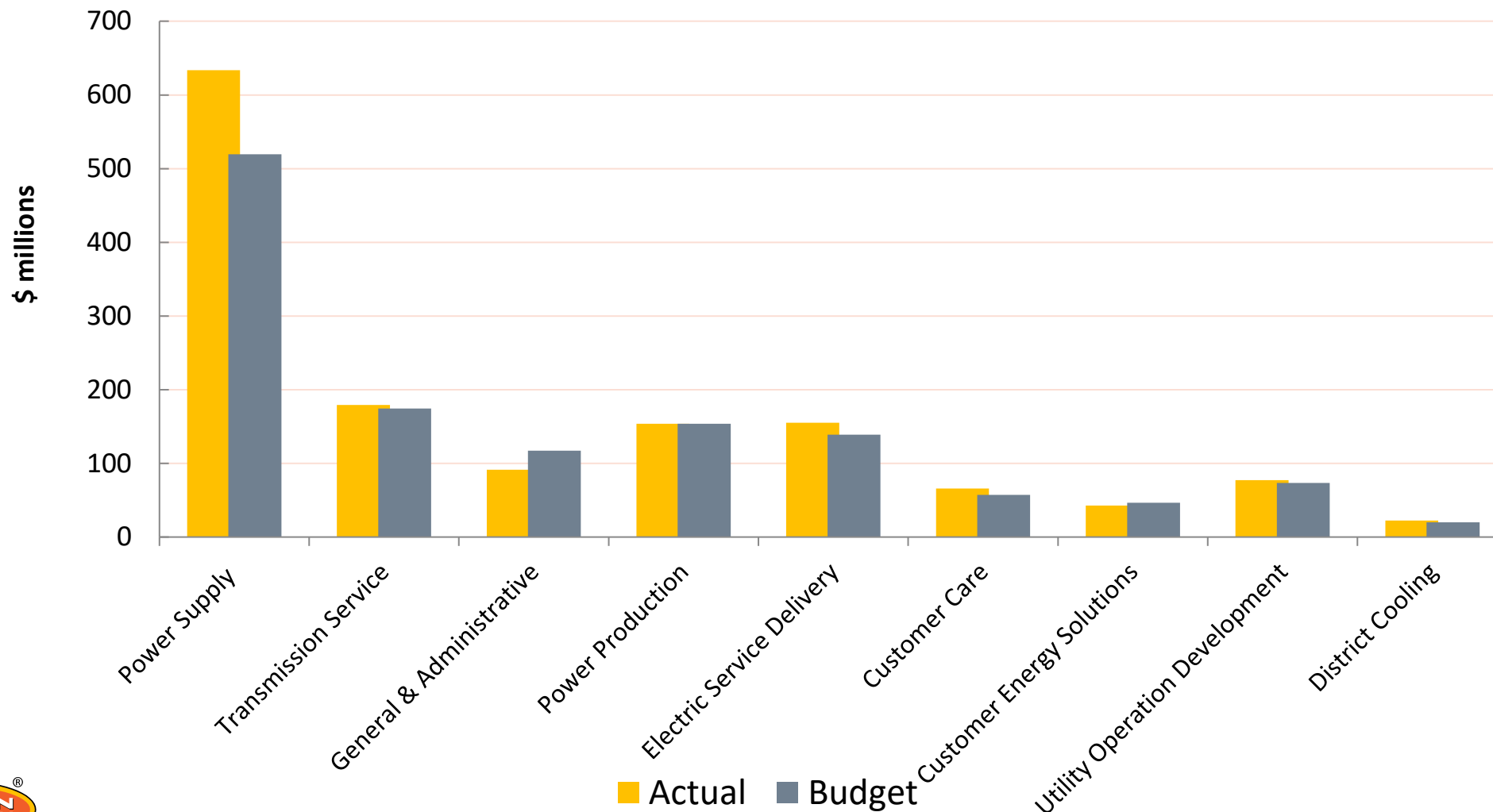
Fiscal Year Through September 30, 2023



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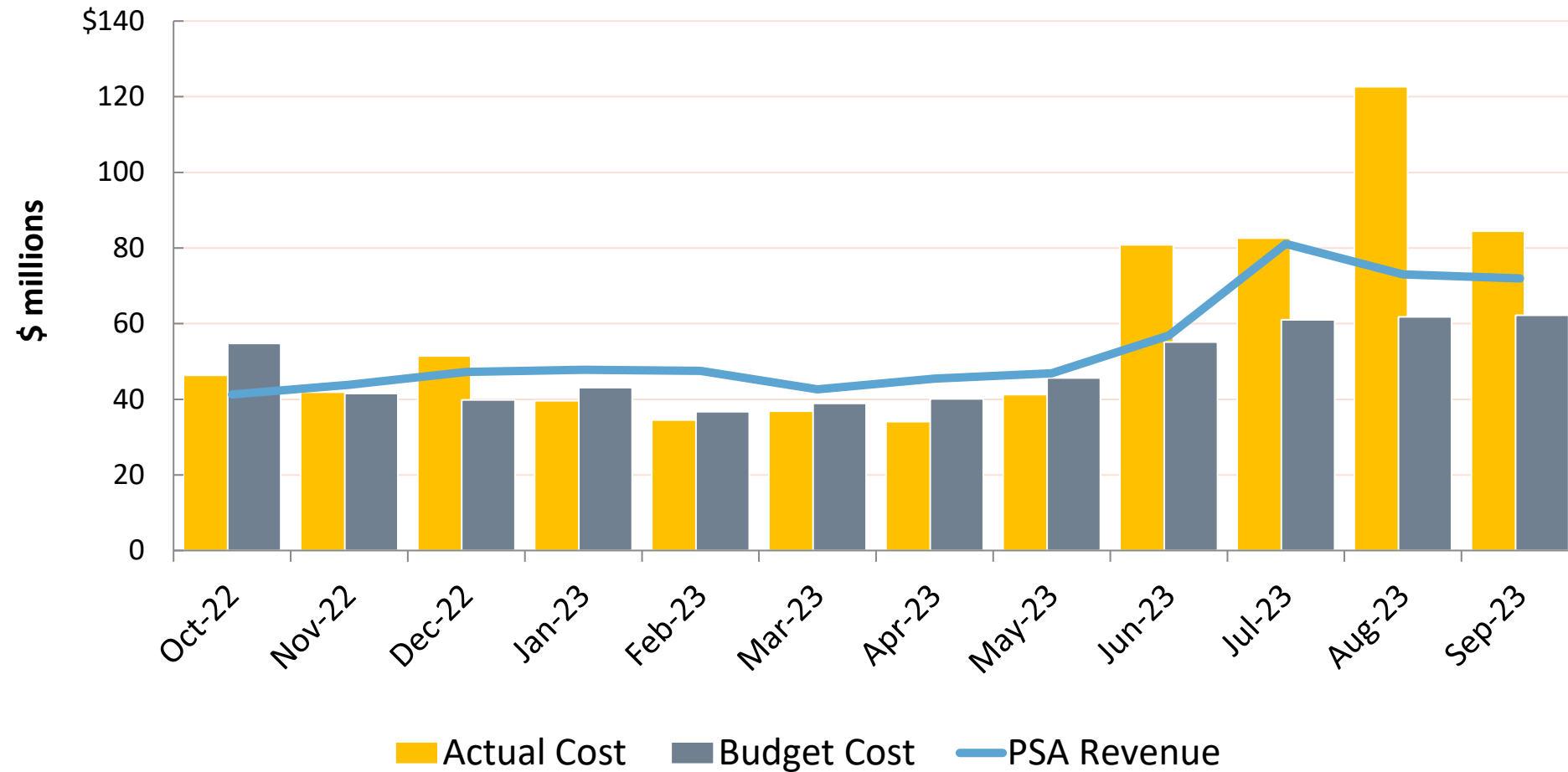
Budget to Actual - Expense

Fiscal Year Through September 30, 2023



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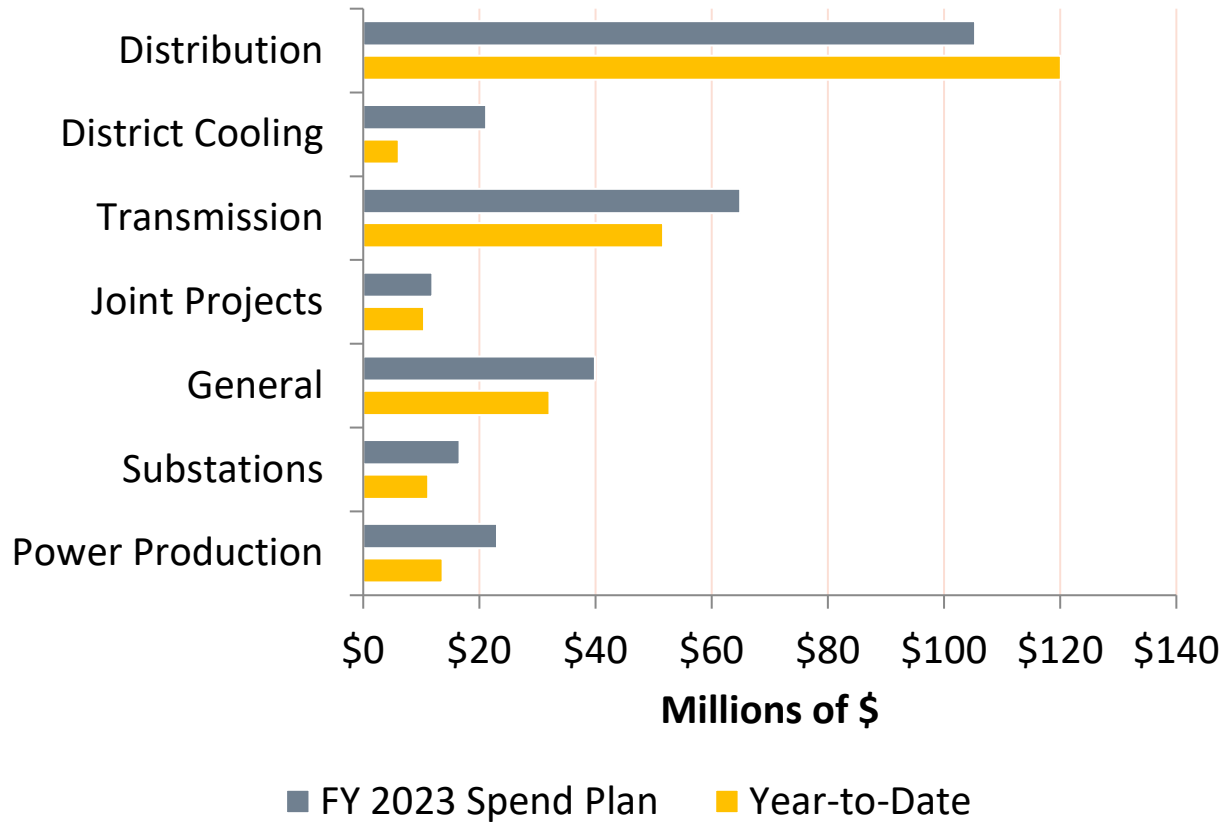
Budget to Actual - Power Supply Adjustment



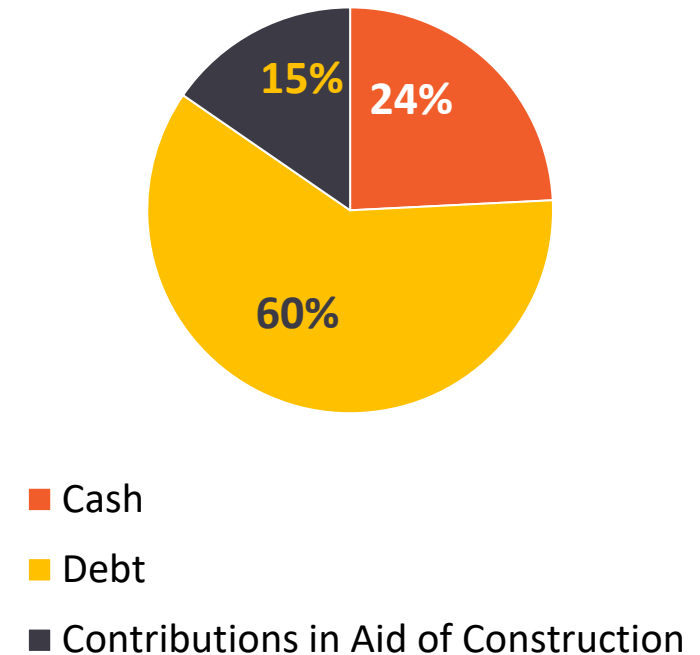
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Capital Improvement Plan

Type of Project
87% of Spend Plan



Type of Financing



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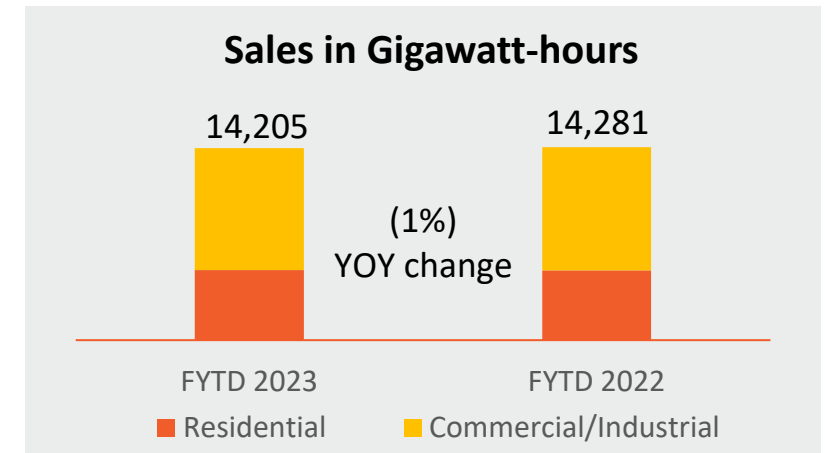
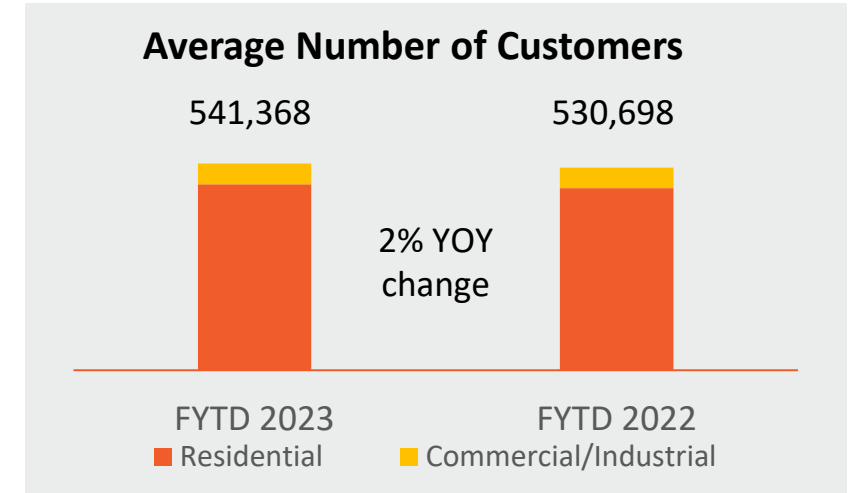
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Financial Statements



Income Statement

\$ in Millions	Fiscal Year Ended	
	9/30/2023	9/30/2022
Operating Revenues	\$1,092	\$1,039
Power Supply Revenues	694	637
Power Supply Expenses	634	581
Non-Power Supply Expenses	930	812
Depreciation Expense	205	277
Operating Income (Loss)	\$17	\$6
Other Revenues (Expenses)	80	86
General Fund & Bldg Services Transfer	(115)	(114)
Net Income (Loss)	(\$18)	(\$22)
Debt Service Coverage	2.2	2.1
Debt Capital Ratio	56%	55%



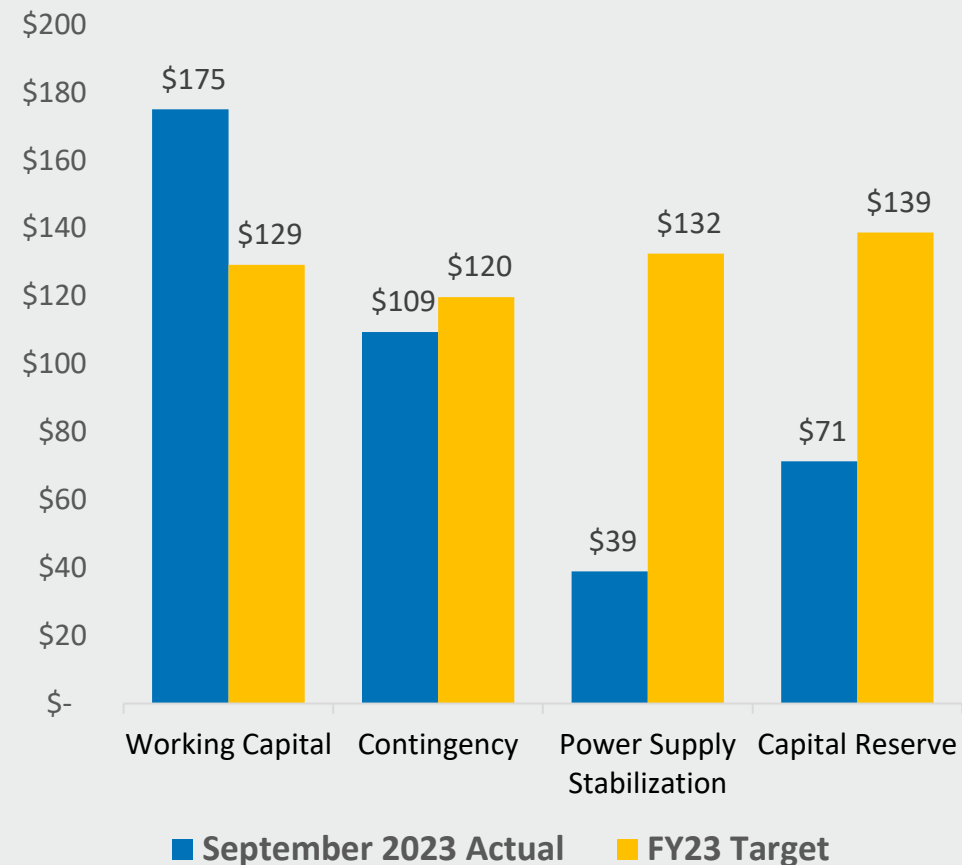
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Balance Sheet

\$ in Millions	9/30/2023	9/30/2022
Cash	\$175	\$166
Other Current Assets	375	355
Operating Reserves	220	279
Nuclear Decommissioning Reserve	258	243
Other Restricted Assets	392	326
Capital Assets	3,029	3,026
Other LT Assets & Deferred Outflows	2,051	1,765
Total Assets and Deferred Outflows	6,500	6,160
Other Current Liabilities	299	317
Revenue Bonds	2,146	1,987
Commercial Paper	77	171
Other LT Liabilities & Deferred Inflows	2,201	1,890
Retained Earnings	1,777	1,795
Total Liabilities, Deferred Inflows, and Fund Equity	6,500	6,160

Cash and Reserves (\$ millions)



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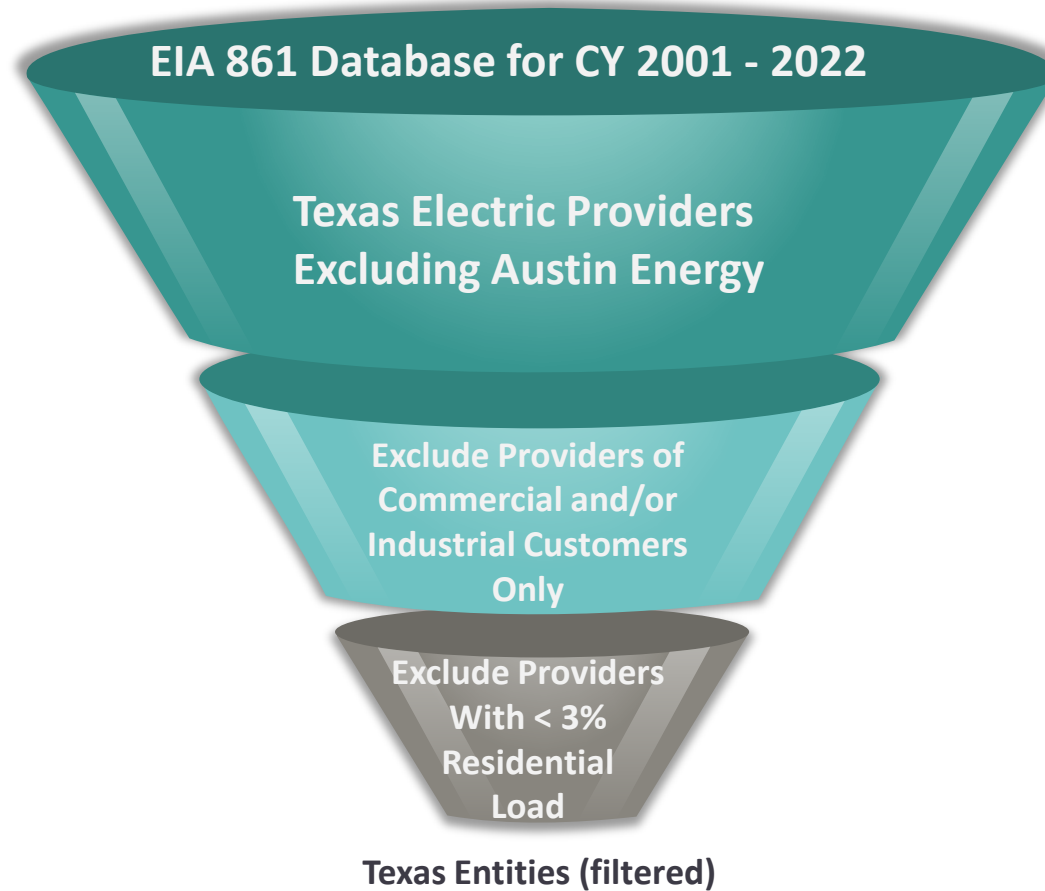
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Market and Industry Analysis



Affordability Goal: Competitiveness Metric

Analysis Methodology

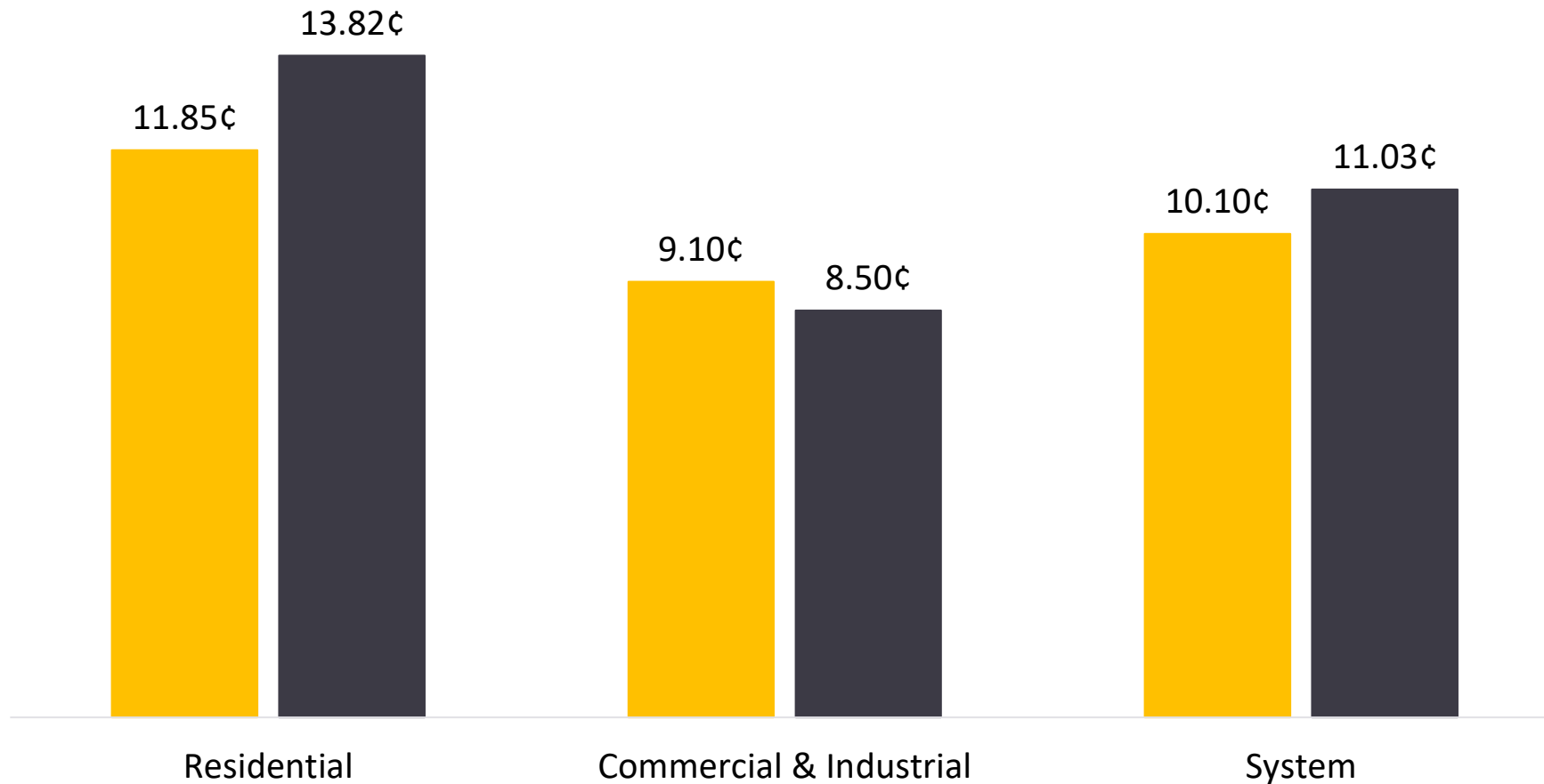


$$\text{Total Retail Revenue} \div \text{Total Retail Kilowatt Hours} = \text{Weighted Average Retail Rate}$$

Average Annual Rates by Customer Class

CY 2022

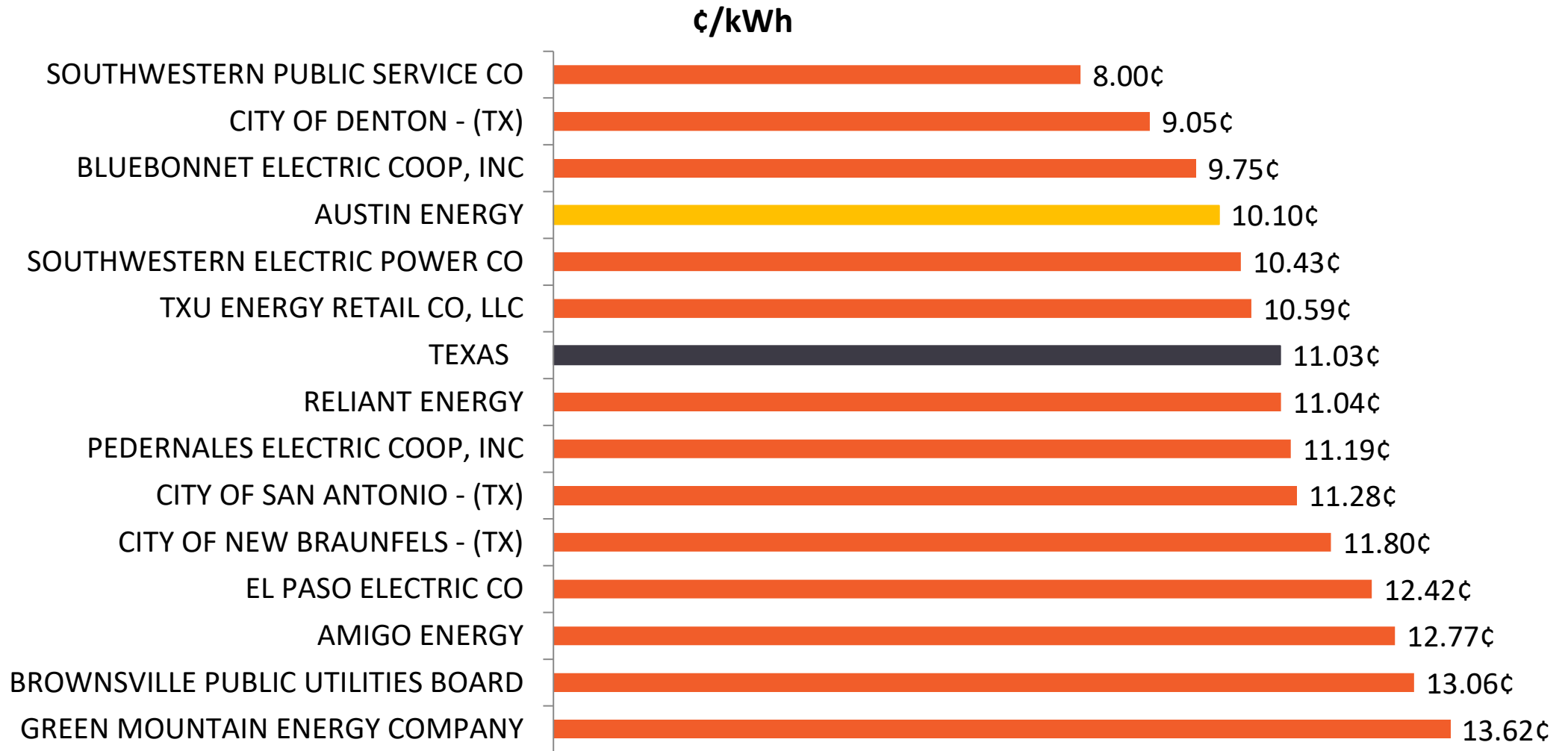
■ Austin Energy ■ Texas Average



Source: U.S. Energy Information Administration Form 861, October 2023

System Average Rates by Provider

CY 2022

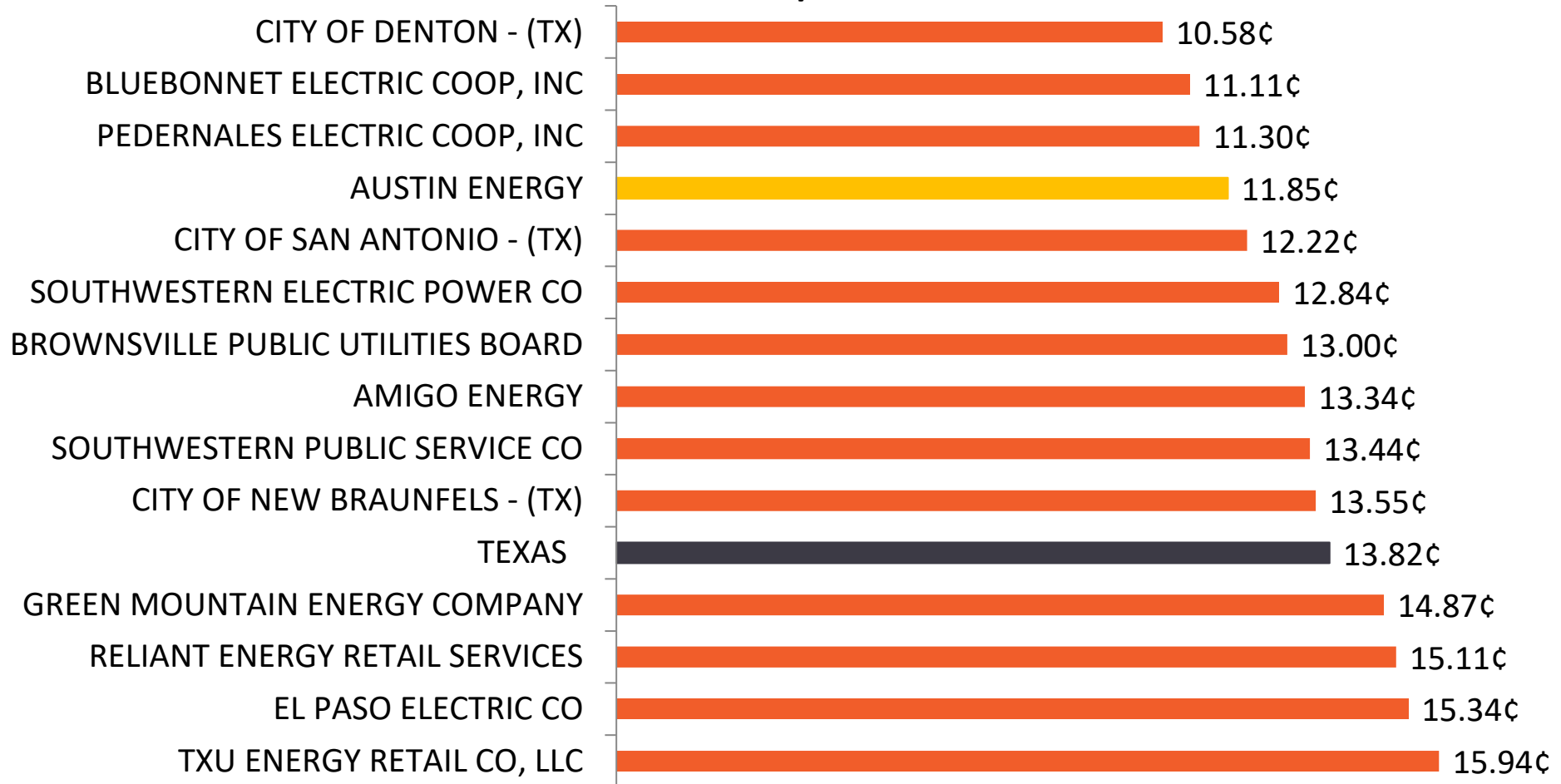


Source: U.S. Energy Information Administration Form 861, October 2023

Residential Average Rates by Provider

CY 2022

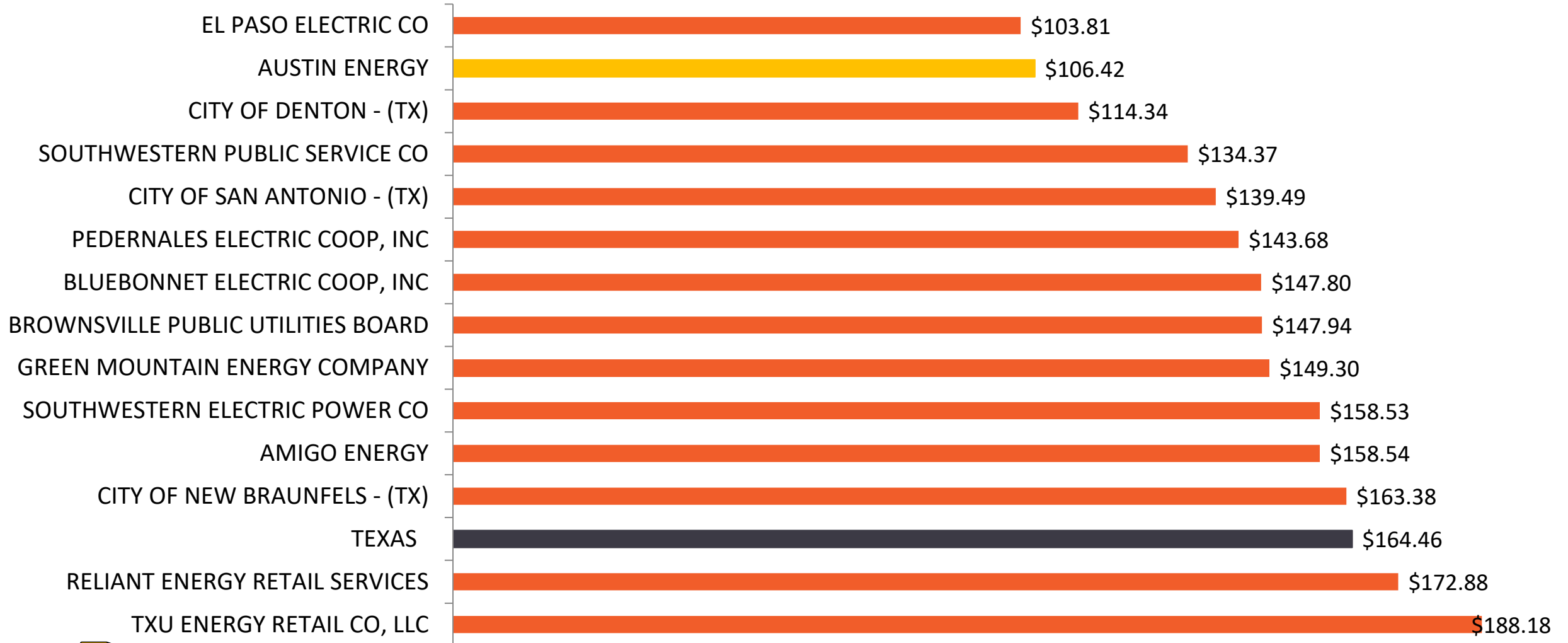
¢/kWh



Source: U.S. Energy Information Administration Form 861, October 2023

Residential Average Monthly Bill

CY 2022



Source: U.S. Energy Information Administration Form 861, October 2023



**Customer Driven.
Community Focused.SM**

