

**TEXAS MUNICIPAL POWER AGENCY**  
**June 30, 2021**  
**THIRD QUARTER HIGHLIGHTS**

Member City Payments are lower because of decreased demand billing to the Member Cities primarily related to decommissioning charges that were included last year. TMPA's power plant was sold in February 2021, and therefore, no further decommissioning charges will be incurred.

Transmission Revenues are lower because TMPA's interim Transmission Cost of Service filing was approved by the Public Utility Commission of Texas in December 2020.

Other Operating Revenues are lower because of less revenue from oil & gas leases and no longer having lake revenues since the sale of the plant.

Production Expenses are lower because costs are significantly lower since the sale of the plant.

Administrative and General Expenses are lower primarily because of property insurance being charged directly to the Generation and Transmission divisions this year. In previous years, these costs were charged to A&G and allocated to the divisions. Therefore, Transmission Expenses are higher because of the property insurance being charged directly to the division.

Investment Revenue is lower because interest rates have plunged over this last year.

Contributed Capital is higher because of an increased adjustment to the TXDOT contribution of a project billed in September 2020.

Miscellaneous Other Expense is higher because of the loss on the retirement of the Hog Creek assets which were included in the sale of the plant and the replacement of the Gibbons Creek gas breakers.

Regulatory assets are lower because TMPA no longer defers depreciation on transmission assets or on transmission retirements. The only deferrals are the mine reclamation and postemployment benefit liabilities.

**Third Quarter Report**  
**Period Ended June 30, 2021**

**Texas Municipal Power Agency**  
P. O. Box 7000 Bryan, Texas 77805  
(936) 873-2013 [www.texasmpa.org](http://www.texasmpa.org)



**TEXAS MUNICIPAL POWER AGENCY**

**Serving the Cities of**  
**Bryan, Denton, Garland & Greenville**

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**BOARD OF DIRECTORS**

Bryan – Buppy Simank  
Kean Register

Denton – Bill Cheek, Jr.  
Chris Watts

Garland – Tom Jefferies  
James B. Ratliff

Greenville – Sue Ann Harting  
Summer Spurlock

**OTHER PRINCIPAL OFFICIALS**

**General Manager**  
Bob Kahn

**Mine and Land Manager**  
Jan Horbaczewski

**Director of Finance & Support Services**  
Lyndi Birkhead

**TEXAS MUNICIPAL POWER AGENCY**  
**Statements of Net Position**  
**Assets and Deferred Outflows of Resources**

	<u>6/30/2021</u>	<u>9/30/2020</u>
	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>(Dollars in Thousands)</u>	
<b>Assets</b>		
<b>Current Assets</b>		
<b>Current Unrestricted Assets</b>		
Cash and Cash Equivalents	\$ 13,015	\$ 28,672
Accounts Receivable and Other	8,451	10,617
Total Current Unrestricted Assets	21,466	39,289
<b>Current Restricted Assets</b>		
Cash and Cash Equivalents	6,831	9,389
Member Receivable - Decommission Obligation	-	16,350
Prepays	166	748
Total Current Restricted Assets	6,997	26,487
<b>Total Current Assets</b>	28,463	65,776
<b>Noncurrent Assets</b>		
<b>Electric Plant</b>		
In Service	366,130	370,631
Less Accumulated Depreciation	(181,788)	(180,079)
Total Net Plant	184,342	190,552
Construction Work in Progress	8,697	6,892
Total Electric Plant	193,039	197,444
<b>Other Assets</b>		
Restricted Cash and Investments	17,556	17,548
Restricted Member Receivable - Decommission Obligation	-	83,027
Regulatory Assets	4,480	4,369
Total Other Assets	22,036	104,944
<b>Total Noncurrent Assets</b>	215,075	302,388
<b>Total Assets</b>	243,538	368,164
<b>Total Assets and Deferred Outflows of Resources</b>		
	\$ 243,538	\$ 368,164
<b>Liabilities and Net Position</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Current Maturities of Revenue Bonds	\$ 4,580	\$ 4,580
Accrued Interest Payable	3,014	754
Accounts Payable	1,184	2,313
Accrued Distribution to Member Cities	-	26,350
Accrued Compensation and Pension	176	307
Accrued Mine Reclamation Cost	2,551	2,551
Decommissioning Cost	-	25,954
<b>Total Current Liabilities</b>	11,505	62,809
<b>Noncurrent Liabilities</b>		
<b>Long Term Debt</b>		
Revenue Bonds	177,985	177,985
Unamortized Premium	6,250	6,683
Tax Exempt Commercial Paper	31,100	31,100
Total Long Term Debt	215,335	215,768
Other Employee Retirement Benefits	1,930	1,819
Accrued Mine Reclamation Cost	-	-
Decommissioning Cost	-	99,966
Total Other Long-Term Obligations	1,930	101,785
<b>Total Noncurrent Liabilities</b>	217,265	317,553
<b>Total Liabilities</b>	228,770	380,362
<b>Net Position</b>		
Net Investment in Capital Assets	(2,490)	(4,220)
Unrestricted	17,258	(7,978)
<b>Total Net Position</b>	14,768	(12,198)
<b>Total Liabilities and Net Position</b>	\$ 243,538	\$ 368,164

**TEXAS MUNICIPAL POWER AGENCY**  
**Statements of Revenues, Expenses and Changes in Net Position**  
**(Unaudited)**

	<b>Year to Date</b>	
	<b>Third Quarter Ended</b>	
	<b>30-Jun</b>	
	<u>2021</u>	<u>2020</u>
	<u>(Dollars in Thousands)</u>	
<b>Operating Revenues</b>		
Member City Payments	\$ 4,162	\$ 11,990
Transmission Revenues	26,705	35,042
Other Operating Revenues	64	168
<b>Total Operating Revenues</b>	30,931	47,200
<b>Operating Expenses</b>		
Production - Operation and Maintenance	2,888	3,434
Transmission - Operation and Maintenance	3,420	1,980
Administrative and General	1,975	2,971
Transmission System Access Fee	-	1
Depreciation Expense	6,030	5,939
<b>Total Operating Expenses</b>	14,313	14,325
<b>Income from Operations</b>	16,618	32,875
<b>Other Income (Expenses)</b>		
Investment Revenue	19	397
Contributed Capital	103	-
Miscellaneous Other Income (Expenses), Net	(1,569)	(419)
<b>Total Other Income</b>	(1,447)	(22)
<b>Interest Charges</b>		
Interest Expense on Debt	7,053	7,270
Amortization of Excess Cost on Advance Refunding of Debt	(433)	(492)
<b>Total Interest Charges</b>	6,620	6,778
<b>Regulatory Assets Recovered in the Current Year</b>	111	2,283
<b>Net Revenues before Refunds</b>	8,662	28,358
<b>Change in Net Position before Sale of Plant</b>	8,662	28,358
<b>Sale of Plant</b>	18,304	-
<b>Change in Net Position</b>	26,966	28,358
<b>Net Position</b>		
Balance as of September 30	(12,198)	(15,473)
<b>Balance as of June 30</b>	\$ 14,768	\$ 12,885

These unaudited financial statements should be read in conjunction with the Notes to the financial statements appearing in the Agency's September 30, 2020 audited annual financial statements.