

TEXAS MUNICIPAL POWER AGENCY
June 30, 2022
THIRD QUARTER HIGHLIGHTS

Member City Payments are lower because of decreased demand billing to the Member Cities resulting from the plant being sold in February 2021.

Other Operating Revenues are lower because there is no longer revenue related to the operation of the lake as it was part of the sale of the plant.

Production Expenses are lower because the plant was sold in February 2021.

Investment Revenue is higher as interest rates have risen significantly in the last several months.

Contributed Capital is lower because there have been no capital contributions made in this fiscal year.

Miscellaneous Other Income is higher this year because last year included the loss on the retirement of the Hog Creek assets which were included in the sale of the plant.

Interest Expense on Debt and the Amortization of Excess Costs on Advance Refunding of Debt are lower because of the Series 2021 Refunding Bonds that were issued in July 2021.

Regulatory Assets Recovered in the Current Year are higher because the postemployment benefit costs for 2022 were estimated to be higher than in 2021 due to increased costs. The only deferrals are the mine reclamation and postemployment benefit liabilities.

TMPA distributed \$70.7M to the Cities for the sale of the mine land in December 2021. The Gain on the Sale of the Mine was \$57.1 million after retiring the mine assets.

Third Quarter Report
Period Ended June 30, 2022

Texas Municipal Power Agency
P. O. Box 7000 Bryan, Texas 77805
(936) 873-2013 www.texasmpa.org



TEXAS MUNICIPAL POWER AGENCY

Serving the Cities of
Bryan, Denton, Garland & Greenville

BOARD OF DIRECTORS

Bryan – Buppy Simank
Kean Register

Denton – Bill Cheek, Jr.
Jesse Davis

Garland – Tom Jefferies
James B. Ratliff

Greenville – Sue Ann Harting
Summer Spurlock

OTHER PRINCIPAL OFFICIALS

General Manager
Bob Kahn

Director of Finance & Support Services
Lyndi Birkhead

Compliance, Land & Mine Manager
Daniel Meadows

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

	<u>6/30/2022</u>	<u>9/30/2021</u>
	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>(Dollars in Thousands)</u>	
Assets		
Current Assets		
Current Unrestricted Assets		
Cash and Cash Equivalents	\$ 8,087	\$ 24,026
Accounts Receivable and Other	5,257	30,635
Total Current Unrestricted Assets	13,344	54,661
Current Restricted Assets		
Cash and Cash Equivalents	7,122	981
Prepays/Other	1,884	322
Total Current Restricted Assets	9,006	1,303
Total Current Assets	22,350	55,964
Noncurrent Assets		
Electric Transmission Plant		
In Service	316,013	313,704
Less Accumulated Depreciation	(149,179)	(150,536)
Total Net Transmission	166,834	163,168
Construction Work in Progress	15,191	5,495
Total Electric Transmission Plant	182,025	168,663
Other Assets		
Restricted Cash and Investments	5,090	5,072
Regulatory Assets	3,369	3,214
Total Other Assets	8,459	8,286
Total Noncurrent Assets	190,484	176,949
Total Assets	212,834	232,913
Total Assets and Deferred Outflows of Resources		
	\$ 212,834	\$ 232,913
Liabilities and Net Position		
Liabilities		
Current Liabilities		
Current Maturities of Revenue Bonds	\$ 6,395	\$ 6,395
Accrued Interest Payable	1,793	448
Accounts Payable	1,505	735
Accrued Distribution to Member Cities	-	22,812
Accrued Compensation and Pension	212	216
Accrued Mine Reclamation Cost	1,606	1,606
Total Current Liabilities	11,511	32,212
Noncurrent Liabilities		
Long Term Debt		
Revenue Bonds	181,340	181,340
Unamortized Premium	8,458	9,578
Tax Exempt Commercial Paper	14,400	9,400
Total Long Term Debt	204,198	200,318
Other Employee Retirement Benefits	1,763	1,608
Accrued Mine Escrow Liability	204	-
Total Other Long-Term Obligations	1,967	1,608
Total Noncurrent Liabilities	206,165	201,926
Total Liabilities	217,676	234,138
Deferred Inflows of Resources		
Deferred Gain on Refunding	5,924	6,168
Total Deferred Inflows of Resources	5,924	6,168
Net Position		
Net Investment in Capital Assets	(22,281)	(38,165)
Unrestricted	11,515	30,772
Total Net Position	(10,766)	(7,393)
Total Liabilities and Net Position	\$ 212,834	\$ 232,913

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

	Year to Date	
	Third Quarter Ended	
	30-Jun	
	<u>2022</u>	<u>2021</u>
	<u>(Dollars in Thousands)</u>	
Operating Revenues		
Member City Payments	\$ 2,134	\$ 4,162
Transmission Revenues	23,506	26,705
Other Operating Revenues	39	64
Total Operating Revenues	25,679	30,931
Operating Expenses		
Production - Operation and Maintenance	1,322	2,888
Transmission - Operation and Maintenance	3,605	3,420
Administrative and General	2,028	1,975
Depreciation Expense	6,118	6,030
Total Operating Expenses	13,073	14,313
Income from Operations	12,606	16,618
Other Income (Expenses)		
Investment Revenue	29	19
Contributed Capital	-	103
Miscellaneous Other Income (Expenses), Net	324	(1,569)
Total Other Income	353	(1,447)
Interest Charges		
Interest Expense on Debt	4,174	7,053
Amortization of Excess Cost on Advance Refunding of Debt	(1,369)	(433)
Total Interest Charges	2,805	6,620
Regulatory Assets Recovered in the Current Year	155	111
Net Revenues before Refunds/Distributions	10,309	8,662
Mine Distributions to Cities	70,786	-
Change in Net Position before Sale of Mine/Sale of Plant	(60,477)	8,662
Gain on Sale of Plant	-	18,304
Gain on Sale of Mine	57,104	-
Change in Net Position	(3,373)	26,966
Net Position		
Balance as of September 30	(7,393)	(12,198)
Balance as of June 30	\$ (10,766)	\$ 14,768

These unaudited financial statements should be read in conjunction with the Notes to the financial statements appearing in the Agency's September 30, 2021 audited annual financial statements.