

TEXAS MUNICIPAL POWER AGENCY
December 31, 2022
FIRST QUARTER HIGHLIGHTS

Member City Payments are lower because of decreased demand billing to the Member Cities resulting from the sale of the mine in December 2021.

Other Operating Revenues are lower because there is no longer revenue from oil & gas leases as a result of the sale of the mine in December 2021.

Transmission Expenses are lower primarily because the first quarter of fiscal year 2022 had higher vegetation management costs.

Investment Revenue is higher as interest rates have risen significantly during the last year.

Miscellaneous Other Income is lower because less easement revenue received thus far this year and the microwave tower contracts were paid this quarter.

Regulatory Assets Recovered in the Current Year are higher because the postemployment benefit costs for 2023 were estimated to be higher than in 2022 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. An additional distribution of a portion of the Mine Escrow Holdback was made in December 2022. The Gain on the Sale of the Mine was \$49.6 million after retiring the mine assets.



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

First Quarter Report
Period Ended December 31, 2022

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

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

	<u>12/31/2022</u>	<u>9/30/2022</u>
	(Unaudited)	(Audited)
	(Dollars in Thousands)	
Assets		
Current Assets		
Current Unrestricted Assets		
Cash and Cash Equivalents	\$ 2,606	\$ 16,375
Accounts Receivable and Other	7,272	7,347
Total Current Unrestricted Assets	9,878	23,722
Current Restricted Assets		
Cash and Cash Equivalents	3,920	980
Prepays/Other	640	341
Total Current Restricted Assets	4,560	1,321
Total Current Assets	14,438	25,043
Noncurrent Assets		
Electric Transmission Plant		
In Service	323,444	323,444
Less Accumulated Depreciation	(147,159)	(145,077)
Total Net Transmission	176,285	178,367
Construction Work in Progress	4,111	3,699
Total Electric Transmission Plant	180,396	182,066
Other Assets		
Restricted Cash and Investments	5,230	5,133
Regulatory Assets	2,174	2,097
Total Other Assets	7,404	7,230
Total Noncurrent Assets	187,800	189,296
Total Assets	202,238	214,339
Total Assets and Deferred Outflows of Resources	\$ 202,238	\$ 214,339
Liabilities and Net Position		
Liabilities		
Current Liabilities		
Current Maturities of Revenue Bonds	\$ 6,575	\$ 6,575
Accrued Interest Payable	1,727	432
Accounts Payable	676	838
Accrued Distribution to Member Cities	-	16,246
Accrued Compensation and Pension	116	123
Accrued Mine Reclamation Cost	805	805
Total Current Liabilities	9,899	25,019
Noncurrent Liabilities		
Long Term Debt		
Revenue Bonds	174,765	174,765
Unamortized Premium	7,767	8,098
Tax Exempt Commercial Paper	23,100	23,100
Total Long Term Debt	205,632	205,963
Other Employee Retirement Benefits	1,370	1,293
Accrued Mine Escrow Liability	204	204
Total Other Long-Term Obligations	1,574	1,497
Total Noncurrent Liabilities	207,206	207,460
Total Liabilities	217,105	232,479
Deferred Inflows of Resources		
Deferred Gain on Refunding	5,761	5,842
Total Deferred Inflows of Resources	5,761	5,842
Net Position		
Net Investment in Capital Assets	(28,421)	(30,201)
Unrestricted	7,793	6,219
Total Net Position	(20,628)	(23,982)
Total Liabilities and Net Position	\$ 202,238	\$ 214,339

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

	Year to Date	
	First Quarter Ended	
	31-Dec	
	<u>2022</u>	<u>2021</u>
	(Dollars in Thousands)	
Operating Revenues		
Member City Payments	\$ 483	\$ 711
Transmission Revenues	7,892	7,723
Other Operating Revenues	-	24
Total Operating Revenues	8,375	8,458
Operating Expenses		
Production - Operation and Maintenance	364	442
Transmission - Operation and Maintenance	1,061	1,329
Administrative and General	671	771
Depreciation Expense	2,082	2,052
Total Operating Expenses	4,178	4,594
Income from Operations	4,197	3,864
Other Income (Expenses)		
Investment Revenue	167	2
Contributed Capital	-	-
Miscellaneous Other Income (Expenses), Net	(14)	22
Total Other Income	153	24
Interest Charges		
Interest Expense on Debt	1,370	1,381
Amortization of Excess Cost on Advance Refunding of Debt	(413)	(454)
Total Interest Charges	957	927
Regulatory Assets Recovered in the Current Year	77	52
Net Revenues before Refunds/Distributions	3,470	3,013
Mine Distributions to Cities	116	70,741
Change in Net Position before Sale of Mine/Sale of Plant	3,354	(67,728)
Gain on Sale of Mine	-	49,586
Change in Net Position	3,354	(18,142)
Net Position		
Balance as of September 30	(23,982)	(7,393)
Balance as of December 31	\$ (20,628)	\$ (25,535)

These unaudited financial statements should be read in conjunction with the Notes to the financial statements appearing in the Agency's September 30, 2022 audited annual financial statements.