

# Financial Update



- **May 2024 Financials**

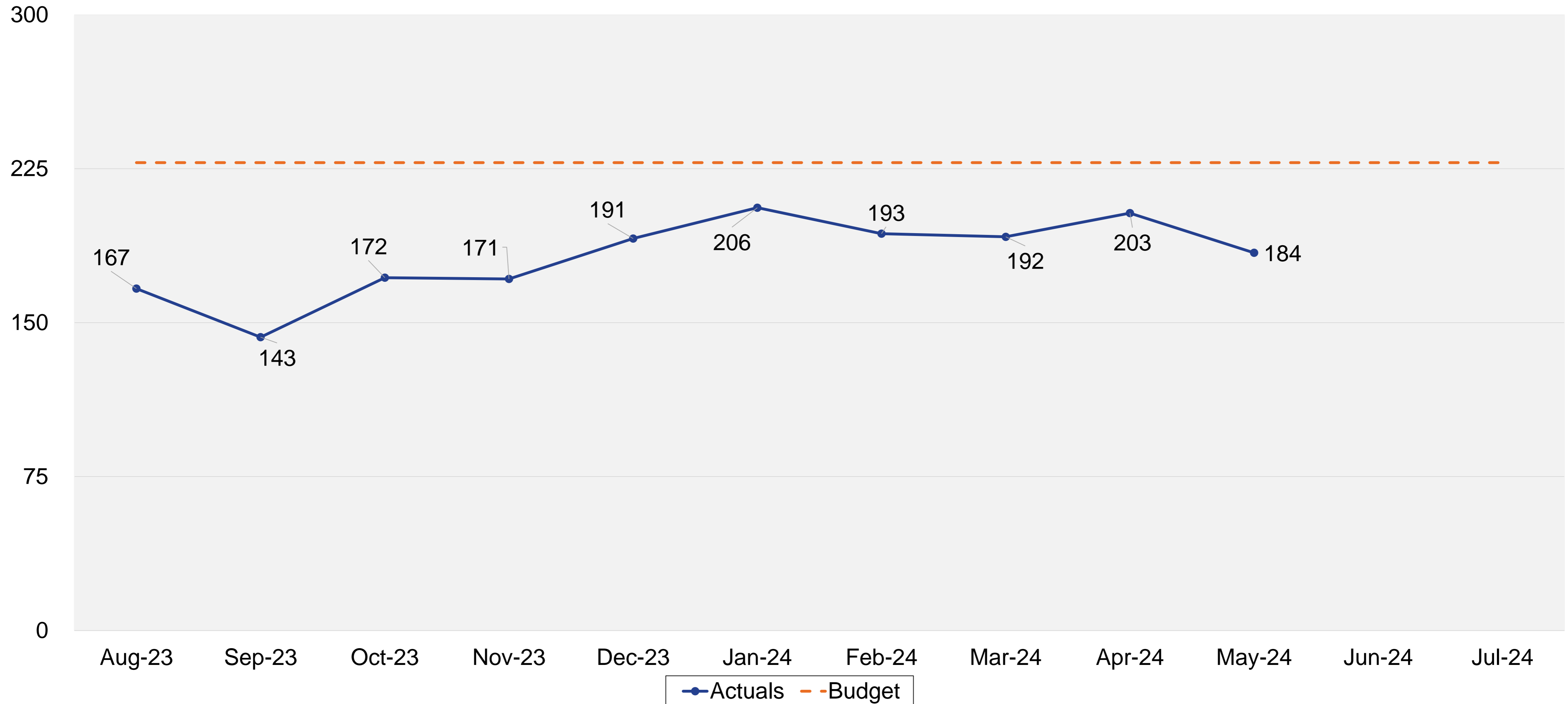
- Kimberly Huffman, Accounting Manager

# Board Financial Policy Compliance - May 2024 YTD

	FY 2023 Actual	FY 2024 Budget	Financial Policy	FY 2024 Actual*
<b>Debt to Capitalization (lower is better)</b>	39.1%	47.4%	≤55.0%	<b>42.2%</b>
<b>Debt Service Coverage (higher is better)</b>	5.05	4.28	≥2.40	<b>4.87</b>
<b>Days Cash on Hand (higher is better)</b>	214	228	≥140	<b>184</b>
<b>Days Liquidity on Hand (higher is better)</b>	442	N/A	N/A	<b>503</b>

\* Amounts are calculated by annualizing the YTD results

# Days Cash on Hand - May 2024 YTD



## Mission

Strengthening our community by providing resilient essential services



## Vision

Be a trusted community partner dedicated to excellence in service

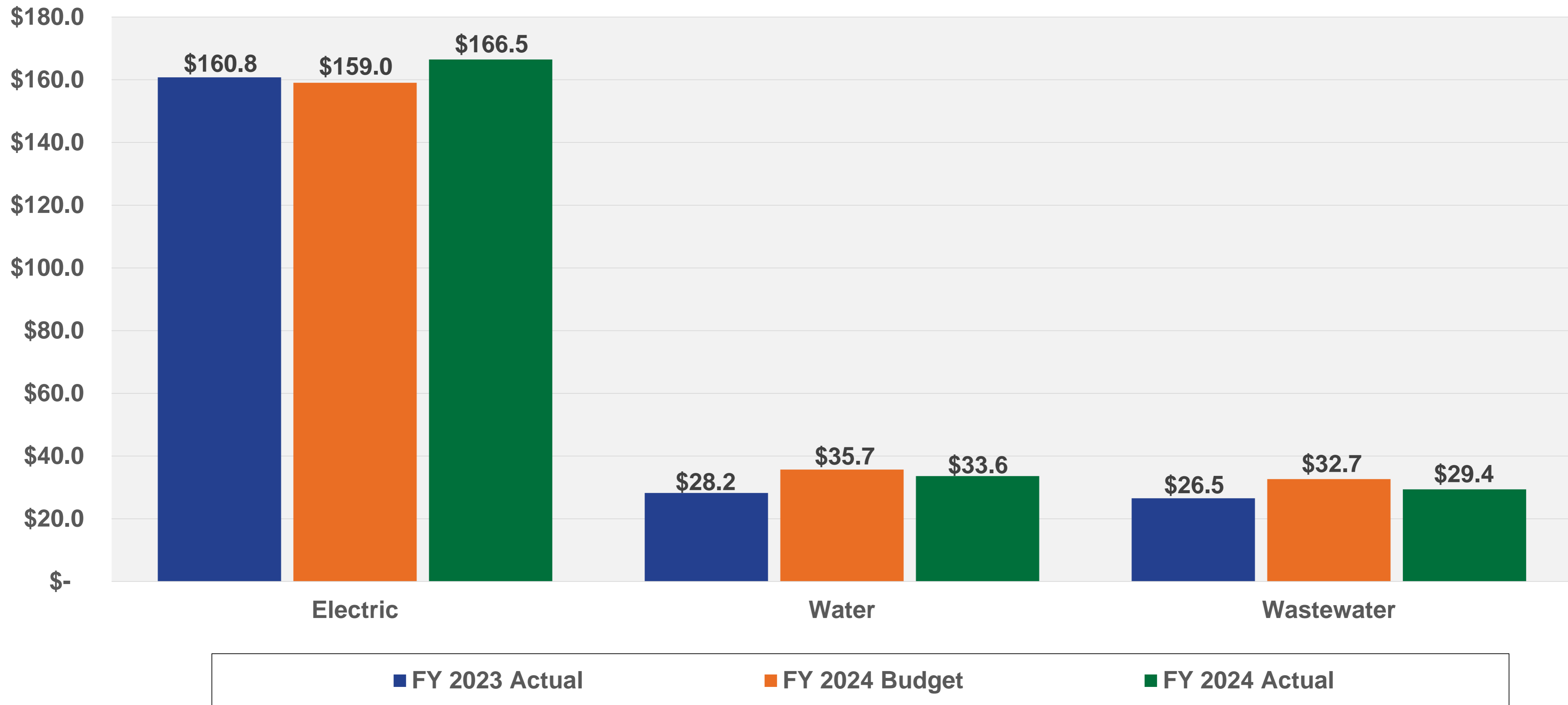


## Core Values

Safety, Team, Integrity, Culture, and Stewardship

# Operating Revenue by LOB

## May 2024 YTD – Amounts in Millions



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# Operating Expenses – Variance to Budget

- Reviewed two largest variances in each LOB including Support
  - Timing or delay in services provided by outside consultants and impact to invoice payment processing.
  - How Departments cash flow out expenses over the 12-month budget giving their best estimates, assumptions and predictions on when expenses will hit. We are seeing a shift on when expenses will actually hit.
  - Items budgeted, but no longer needed.
  - Payroll related such as unfilled positions remaining open for a longer period of time (some being difficult to fill due to complexity and qualifications), turnover, or salary differences from budget.

# Operating Expenses – Largest Variances

## Electric- Operations and Power Supply - \$3.5M

- Payroll related due to turnover and time to fill positions, less need for contract tree trimming services (positive results), and Power Supply projects such as Resource Plan and Congestion Software pushed out.

## Water – Operations and Treatment and Compliance - \$2.2M

- Payroll related due to turnover and time to fill positions.

## Wastewater –Operations and Treatment and Compliance \$1.5M

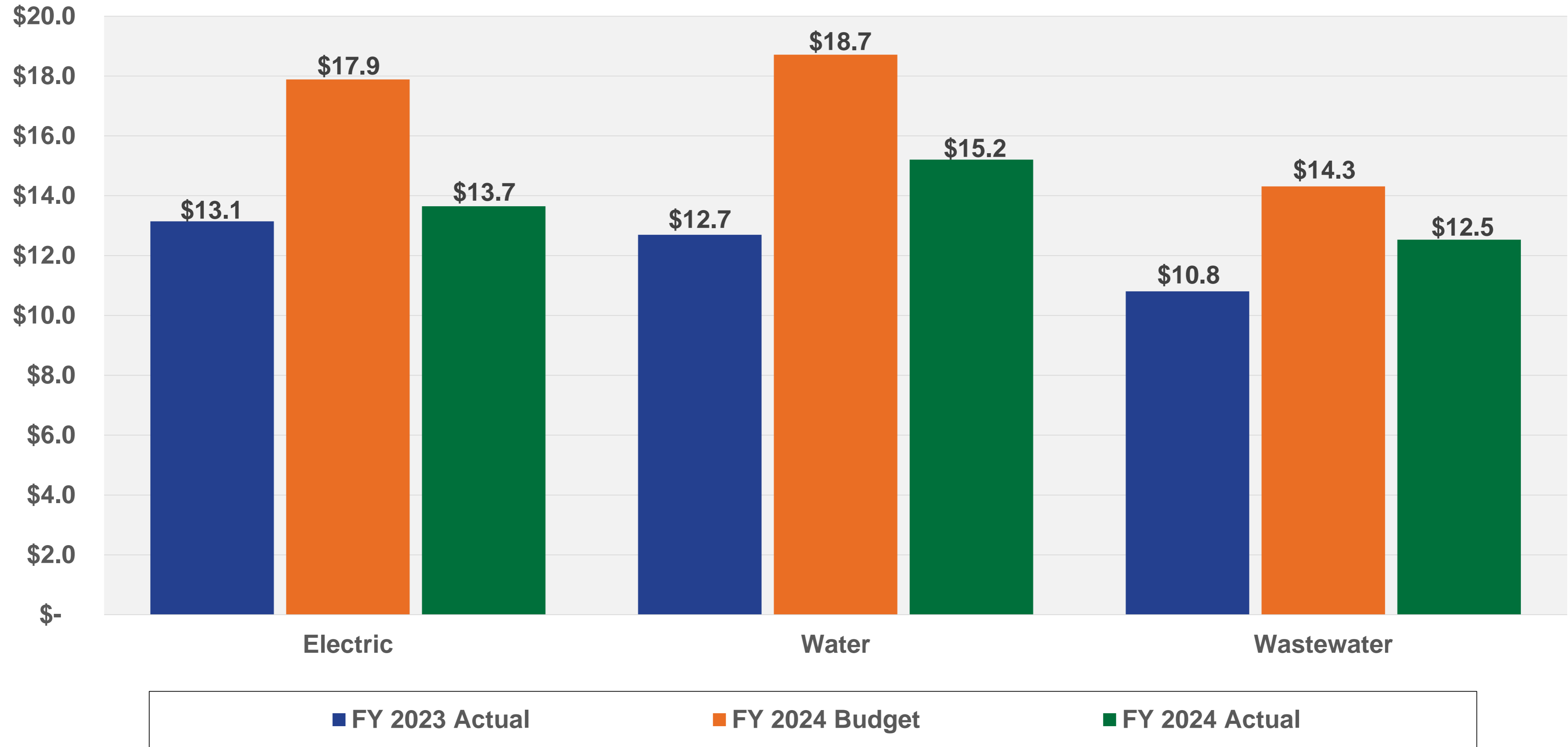
- Payroll related due to turnover and time to fill positions.

## Support – Executive and IT - \$2.2M

- Payroll related for Executive services and other support department positions unfilled, and IT related from Microsoft Enterprise Agreement timeline delays and less staff augmentation used.

# Operating Expenses\* by LOB

## May 2024 YTD – Amounts in Millions



\*Excludes purchased power, purchased water, and depreciation expense

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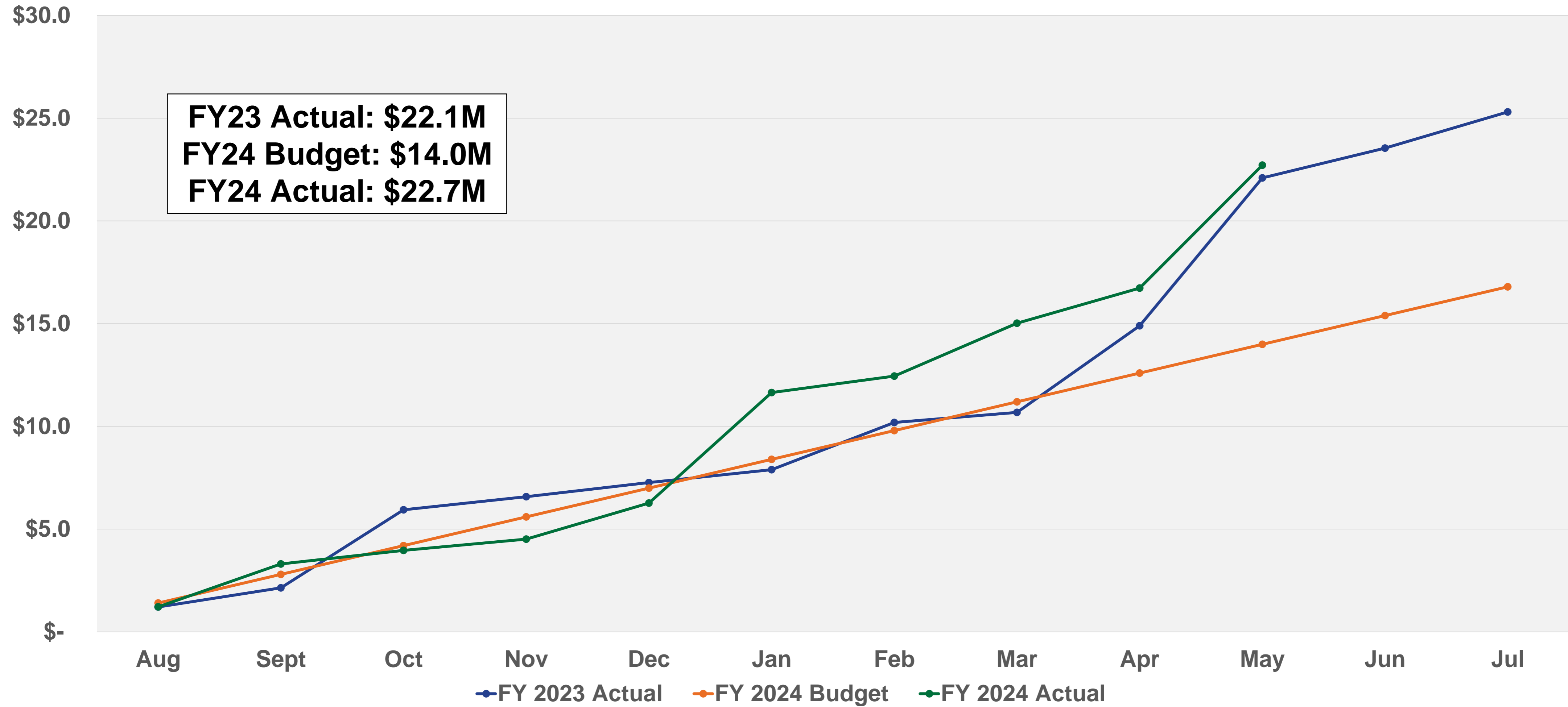
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**NBU** NEW BRAUNFELS  
UTILITIES

# Impact Fees

## May 2024 YTD – Amounts in Millions\*



\* Amounts shown are YTD for each month

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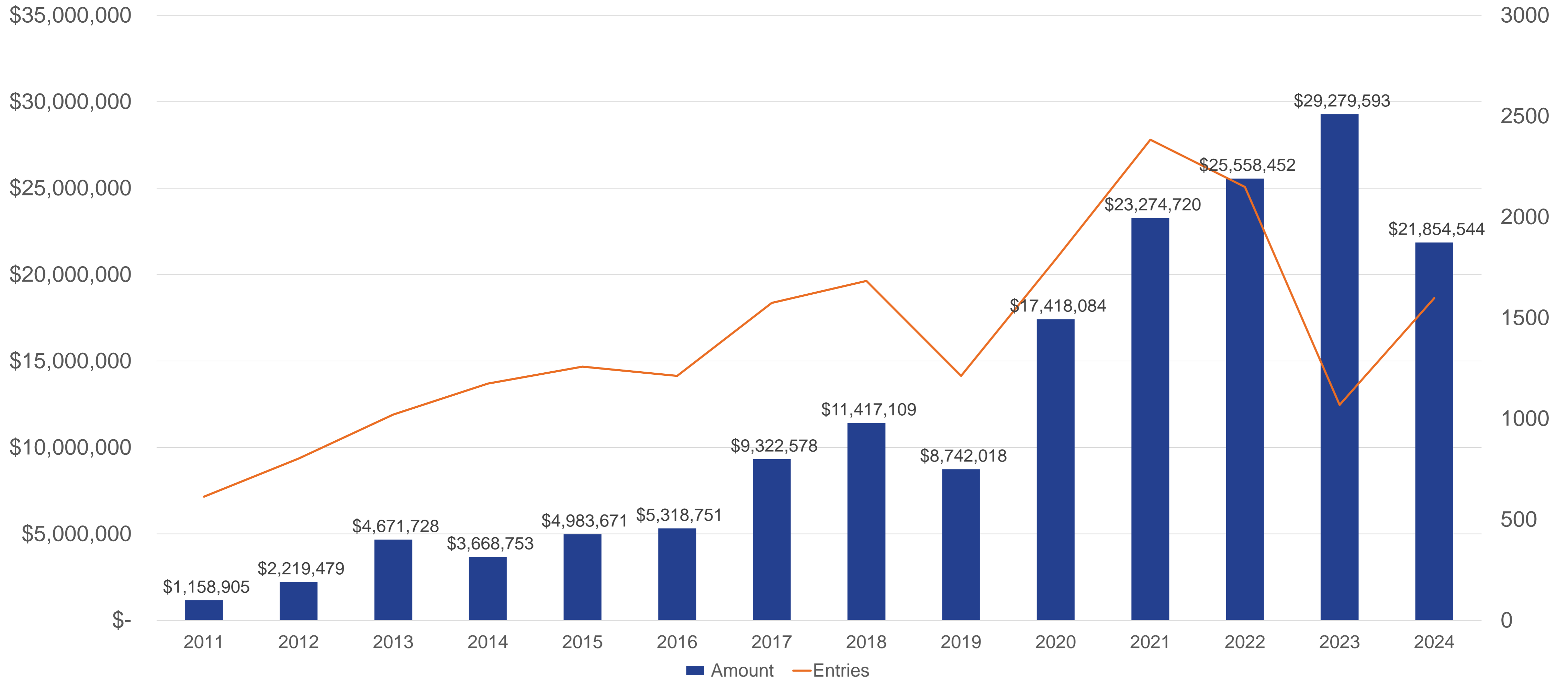
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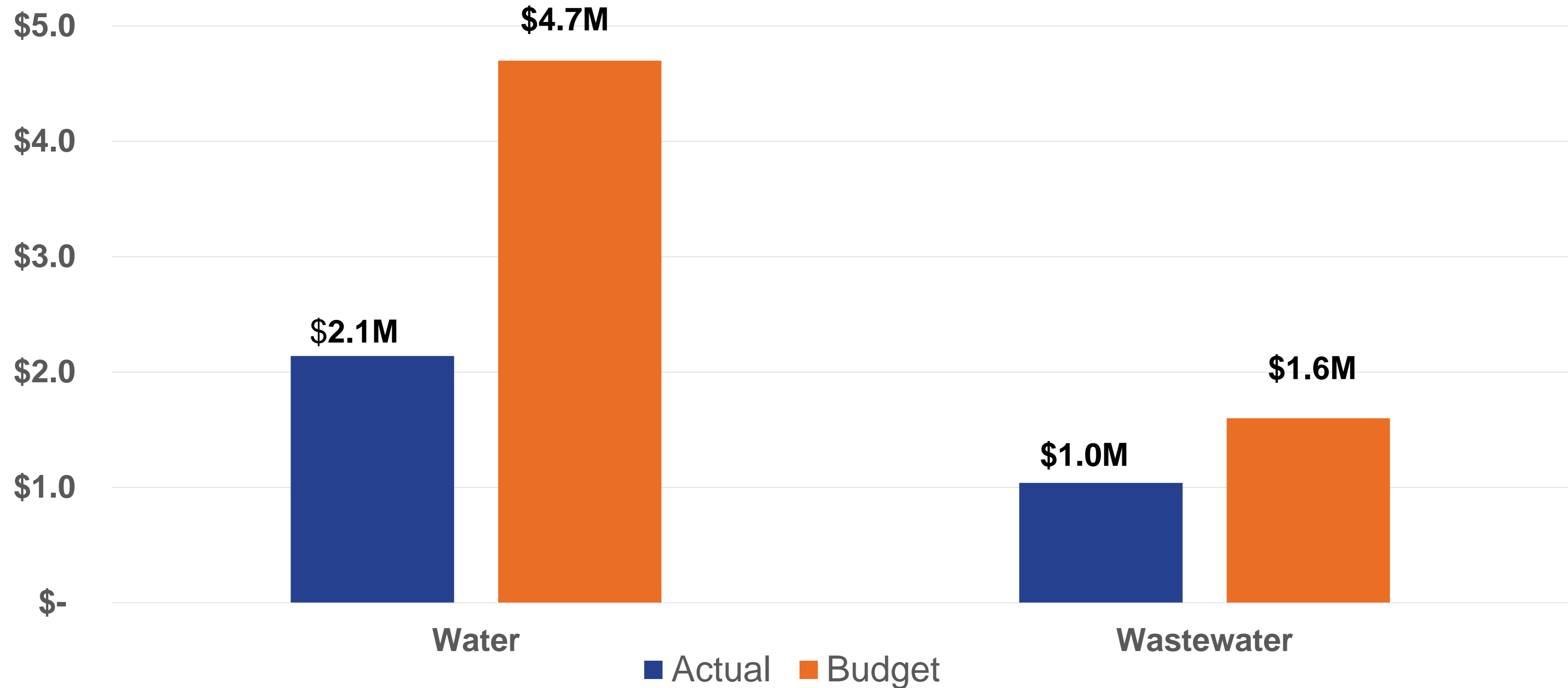
# Impact Fee Collections – YTD May 2024

Impact Fee Totals and Entries Per Year



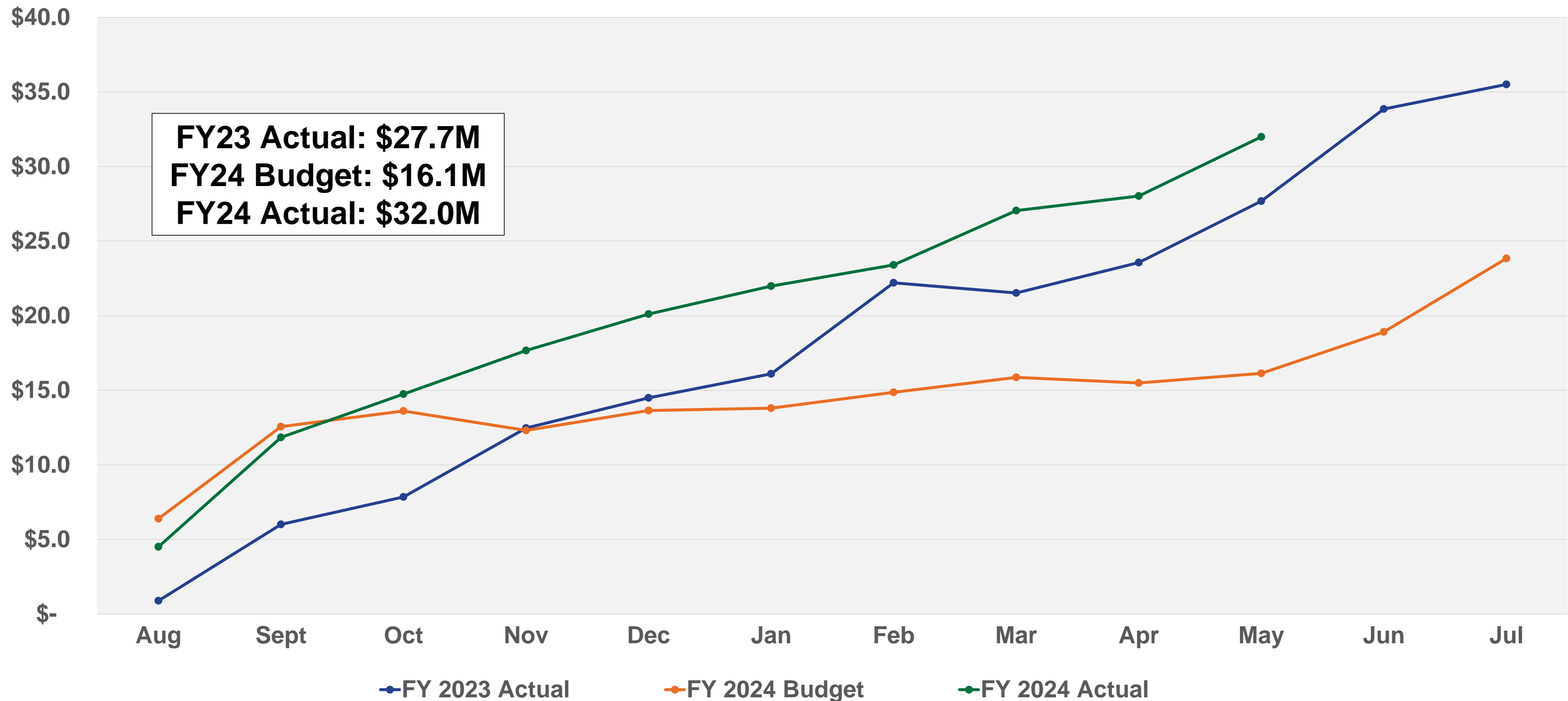
# Impact Fees-Program E Update

## May 2024 YTD – Amount in Millions



# Net Operating Income

## May 2024 – Amounts in Millions\*



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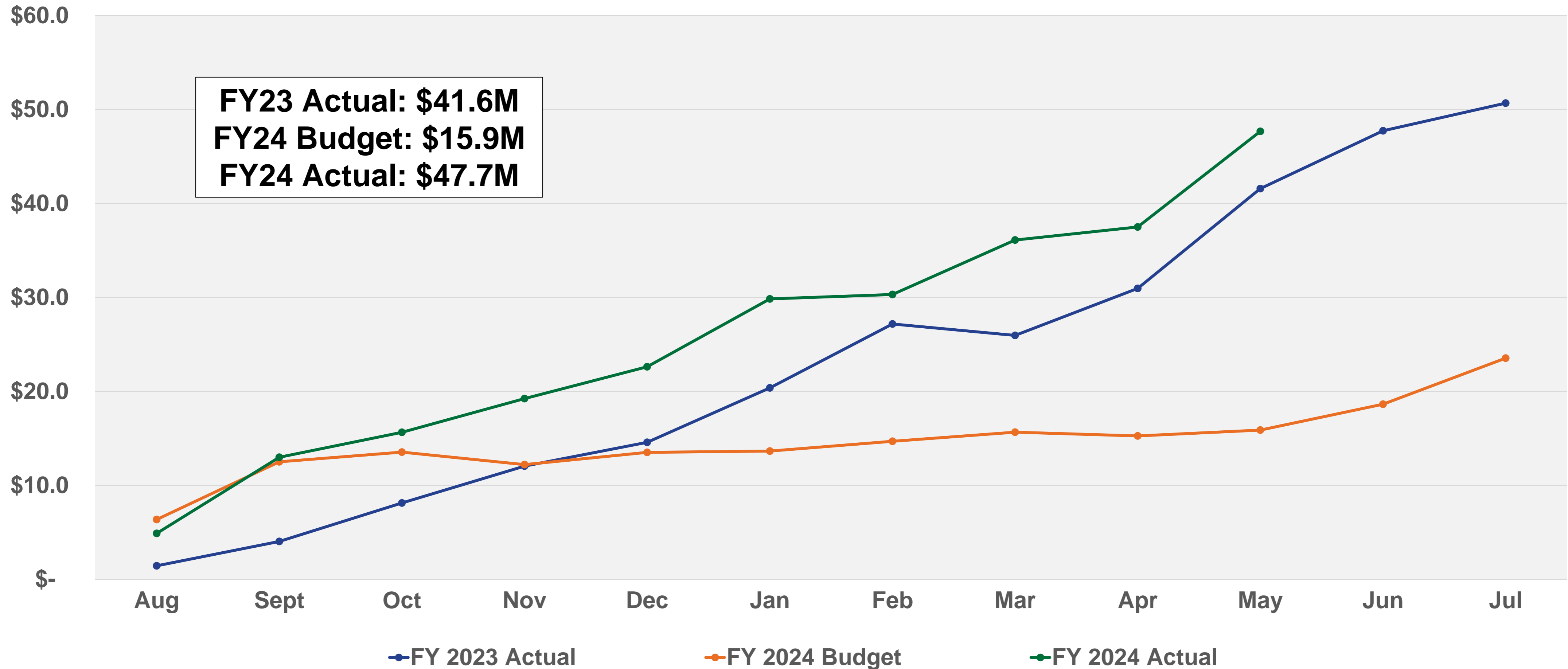


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# Change in Net Position After Contributions

## May 2024– Amounts in Millions\*



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# Financial Highlights – YTD Compared to Budget

	Favorable	Unfavorable
Overall System Operating Revenues	+1% \$2.1M	
• Electric Revenues	+5% \$7.5M	
• Water Revenues		-6% (\$2.1M)
• Wastewater Revenues		-10% (\$3.3M)
Operating Expenses (minus purchased power, purchased water and depreciation)	-19% \$9.5M	
Purchased Power Costs	0% (\$365K)	
Interest Income	+89% \$3.8M	
Interest Expense		+7% \$1.0M

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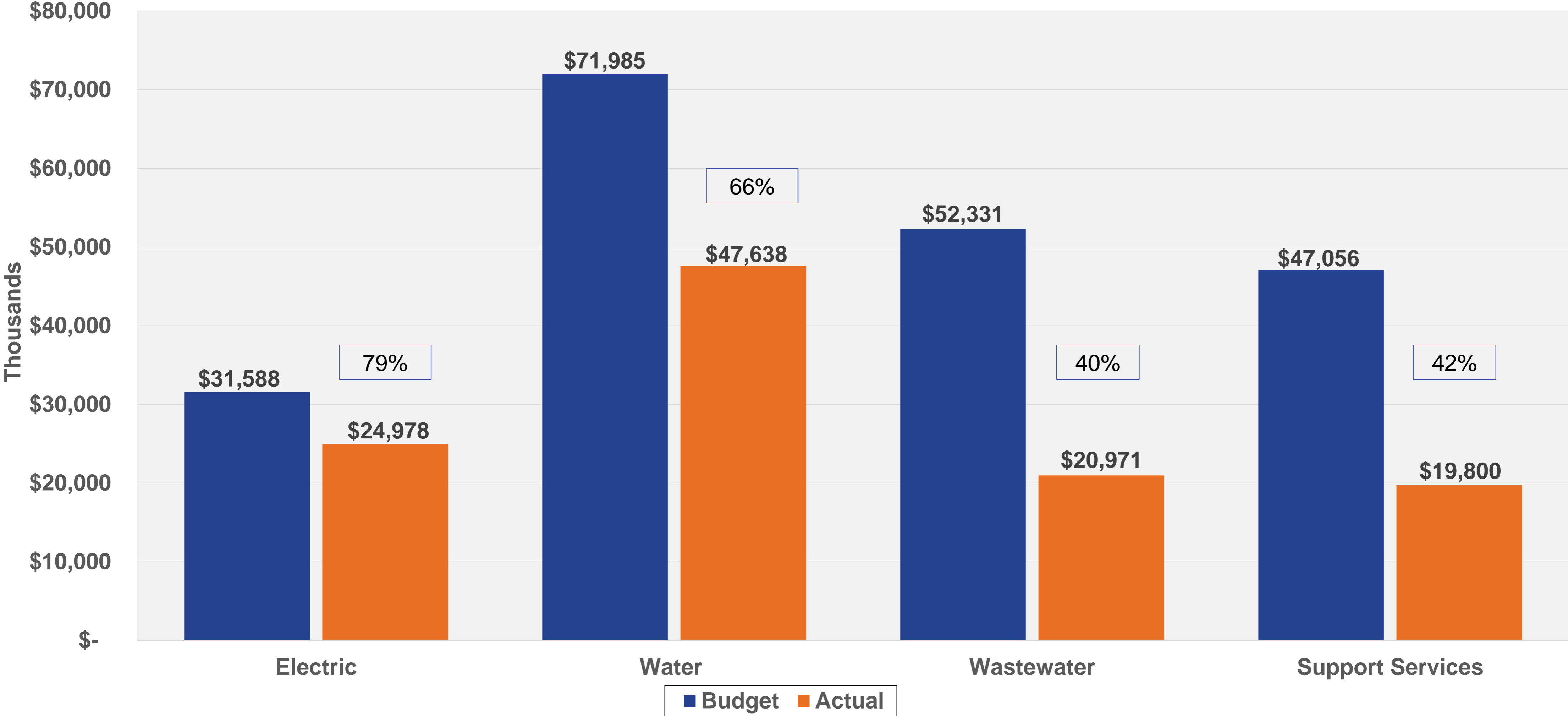


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# Capital Project Expenditures

## May 2024 YTD – Amounts in Thousands



**Questions?**

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# Transmission Cost of Service Update



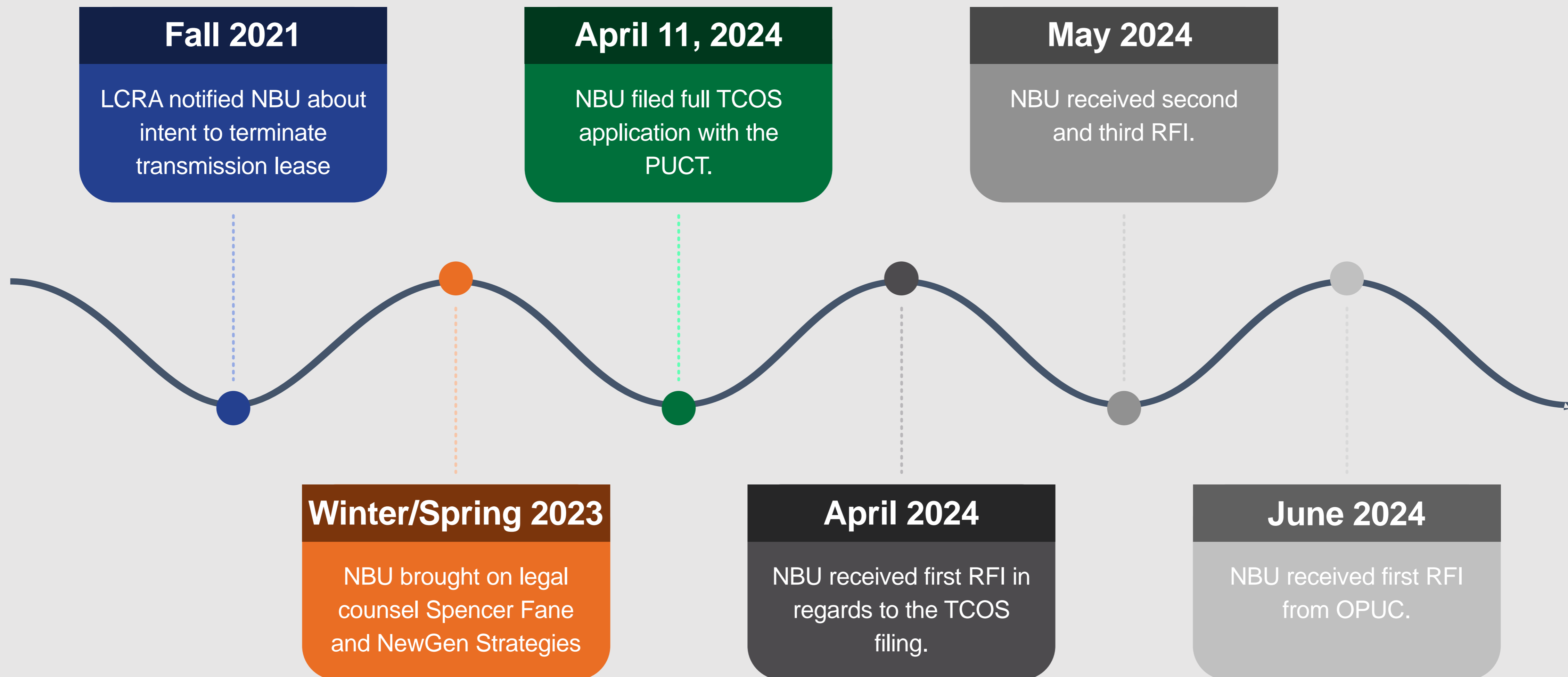
June 27, 2024



# TCOS Update

- **RFI #1 – Submitted May 2024**
  - Questions in regards to depreciation analysis
- **RFI #2 – Submitted May 2024**
  - Questions in regards to TCOS Calculation
- **RFI #3 – Submitted June 2024**
  - Questions in regards to FERCs and transactions
- **RFI #1 – Received from Office of Public Utility Counsel (OPUC) June 2024**
  - Questions in regards the TCOS Direct Testimonies

# TCOS Timeline



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