

Austin Energy Quarterly Financial Report

1st Quarter FY 2026

John Davis

Interim Senior Vice President and Chief Financial Officer



March 2026

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Agenda

Quarterly Financial Report



Executive Summary



Financial Health



Budget to Actuals



Financial Statements

Executive Summary



Operating Results

Operating income was below budget by \$6m, or 9%, as of December.



Bond Rating

AA- bond rating was affirmed in October 2025, remaining below AA target.



Financial Policies

Substantial compliance with financial policies.



Power Supply Adjustment

The PSA was \$119M over recovered as of December.

Financial Health

S&P Bond Rating Target: AA | Actual: **AA-**

Days Cash on Hand	Debt Service Coverage	Operating Margin	Debt to Capitalization
Target > 200 Days	Target > 2.5x	Target > 10%	Target < 50%
Actual 194 Days	Actual 2.4x	Actual 22%	Actual 57%

Includes ~**32 Days** of Power Supply Adjustment over recovery

Includes 10% increase for a one-time adjustment for other post-employment benefit costs



Austin Energy Quarterly Financial Report

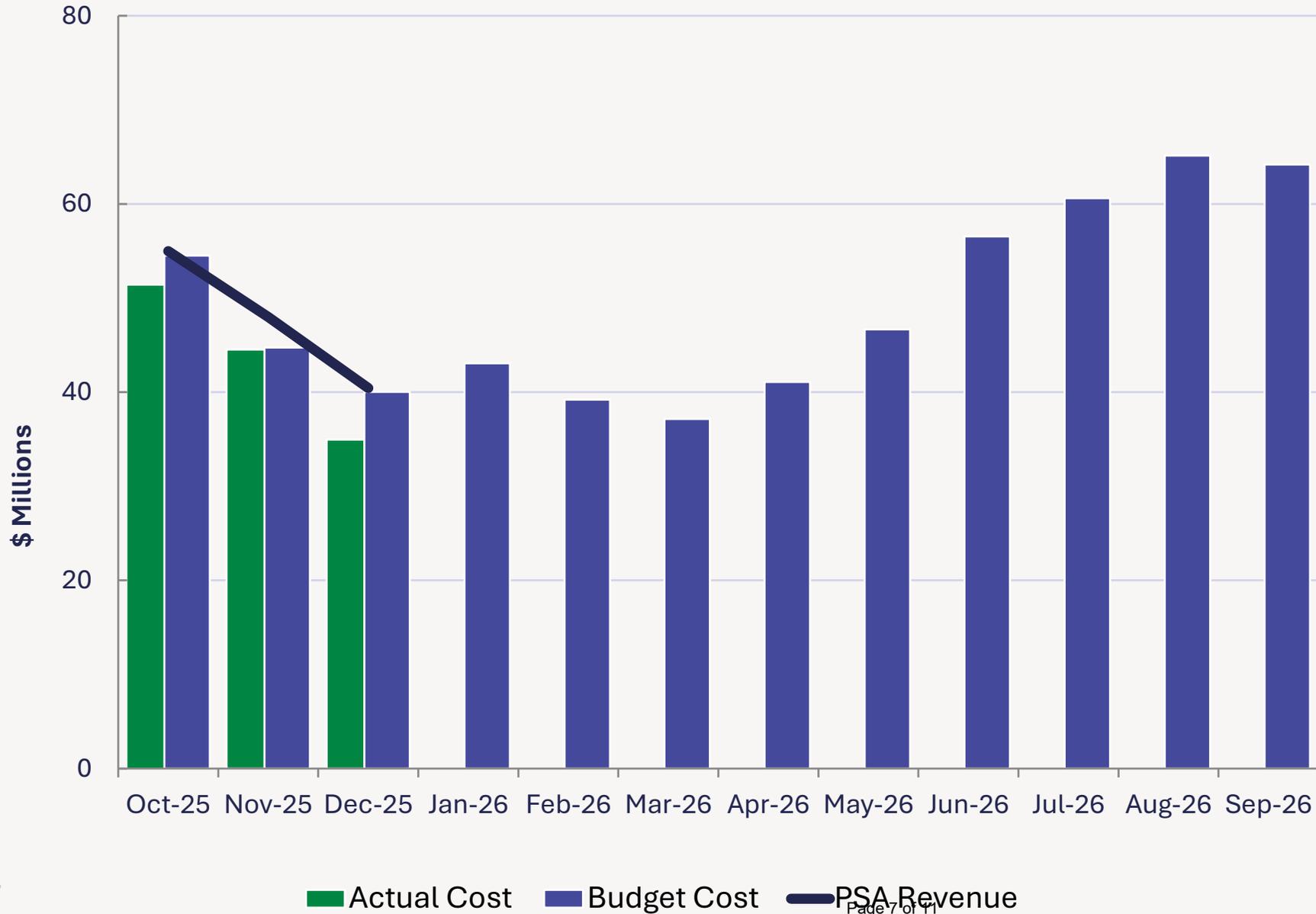
Budget to Actuals



Austin Energy Fund Summary

Millions of \$	3 Months Ended December 2025		
	Actual	Budget	Favorable (Unfavorable)
Base Revenue	\$ 181	\$ 174	\$ 7
Power Supply Revenue	130	139	(9)
Other Operating Revenues	125	134	(9)
Total Operating Revenues	436	447	(11)
Power Supply Expense	114	123	9
Other Operating Expenses	263	259	(4)
Total Operating Expenses	377	382	5
Operating Income (Loss)	59	65	(6)
Transfers In	5	5	0
Interest Revenue	9	11	(2)
Debt Service	(46)	(45)	(1)
Income (Loss) Before Transfers	27	36	(9)
Administrative Support Transfer	(11)	(11)	0
General Fund Transfer	(35)	(35)	0
Economic Development Transfer	(3)	(3)	0
Other Transfers	(4)	(4)	0
CIP Transfer	(31)	(31)	0
Excess (Deficiency) of Revenues	\$ (57)	\$ (48)	\$ (9)

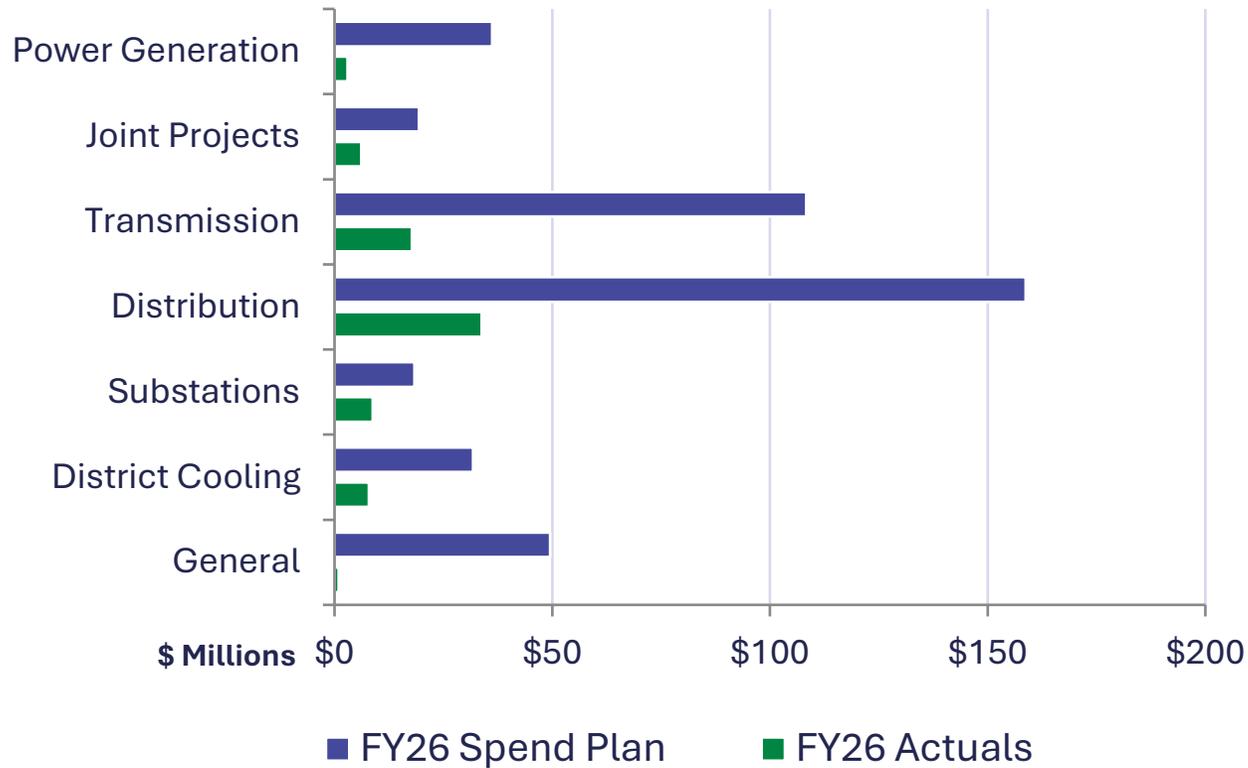




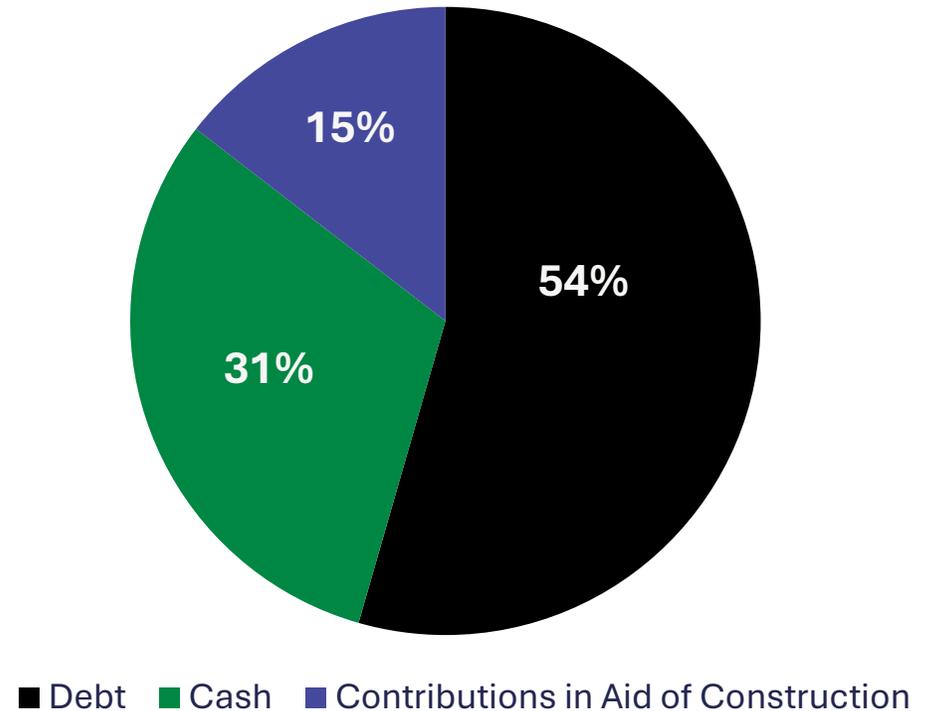
Power Supply Adjustment

Capital Improvement Plan (CIP)

\$ 4 2 2 M CIP BUDGET



CIP FINANCING



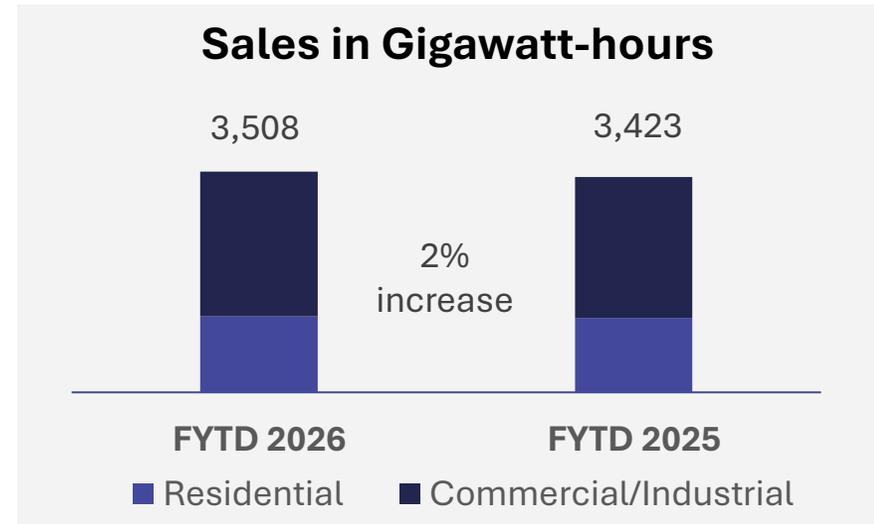
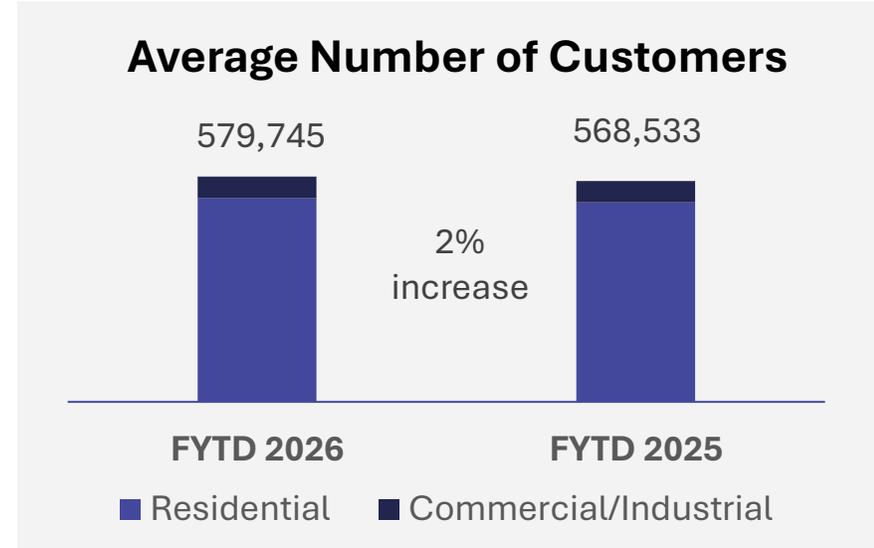
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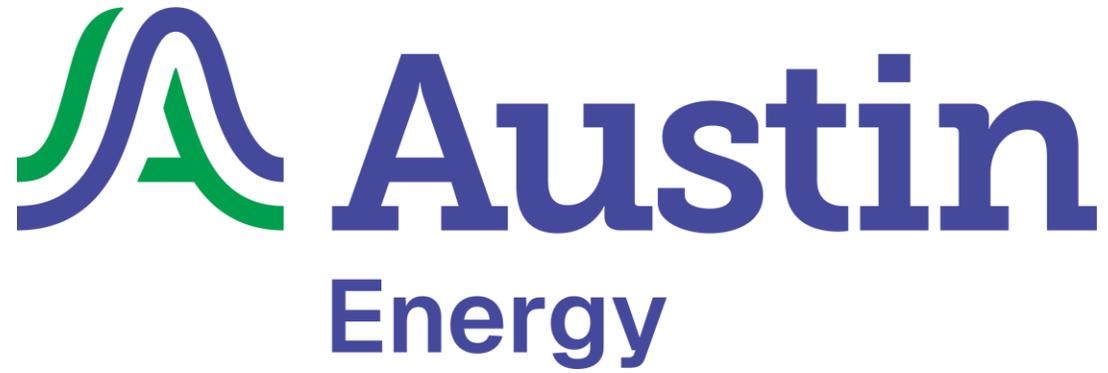
Financial Statements



Income Statement

Millions of \$	3 Months Ended	
	12/31/2025	12/31/2024
Operating Revenue	\$304	\$283
Power Supply Operating Revenue	130	115
Power Supply Operating Expense	114	100
Operating Expenses	209	202
Depreciation Expense	50	48
Operating Income (Loss)	\$61	\$48
Other Revenues (Expenses)	(11)	(8)
General Fund Transfer	(35)	(31)
Net Income (Loss)	\$15	\$9





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