



TREASURER REPORT

**Fiscal Year to Date
As of February 28, 2018**

(Preliminary & Unaudited)

Issue Date: April 11, 2018

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SILICON VALLEY CLEAN ENERGY AUTHORITY Financial Statement Highlights (\$ in 000's)

Financial Highlights for the month of February 2018:

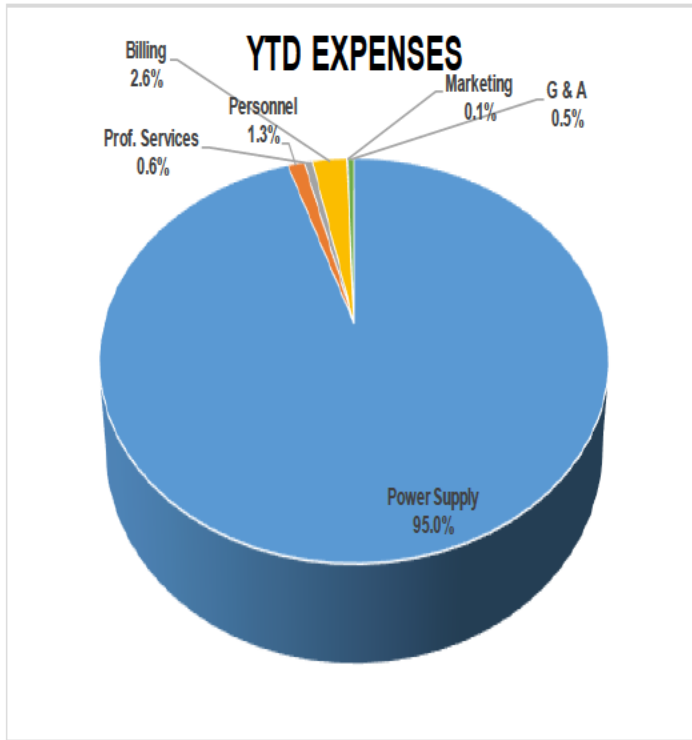
SVCE amended the budget at the March 14, 2018 Board Meeting. Significant changes made to the budget include the impact of Milpitas in June 2018 the favorable change in rates effective April 2018, and a reduction in current load by 5% to reflect historical performance.

- > SVCE operations resulted in net gain for the month of \$0.1 million and year-to-date of \$12.1 million.
 - o Year-to-date energy sales has an unfavorable variance of 1% compared to budget.
 - o The amended budget includes continued rates through March and a rate adjustment that positions SVCE to be on average 6% below PG&E.
 - o Year-to-date contribution margin is \$13.9 million.
- > Retail GWh sales had an unfavorable variance to budget of 1.1%.
 - o As part of the mid-year budget process, forecasted load was reduced by 5%.
 - o Budget through January was adjusted to match actuals performance. Forecasted GWh sales for the fiscal year is 3,600.
- > Power Supply
 - o SVCE was a net seller of power to CAISO during the month.
 - o Power Supply budget was adjusted in the mid-year process to include the serving of Milpitas and the reduction in current load by 5%.
- > Programs/Capital
 - o Year-to-date programs activity includes GHG accounting services.
 - o A Customer Program Advisory Group was initiated in January 2018. Recommendations are expected at the June 2018 Board of Directors meeting.
- > Financing - SVCE is debt free at the end of January 2018.
 - o The \$2.7 million Member Agency loan was paid off at the end of the January 2018.
 - o The \$2.9 million balance from advances on the revolving line of credit was paid off in December 2017.

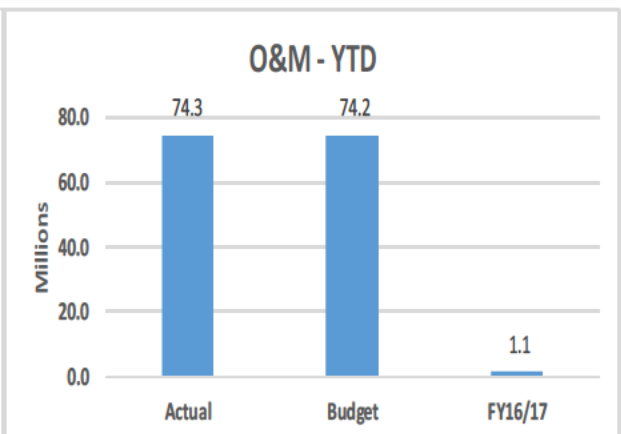
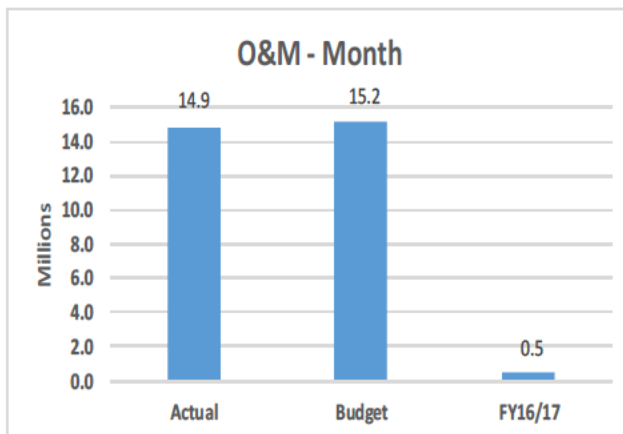
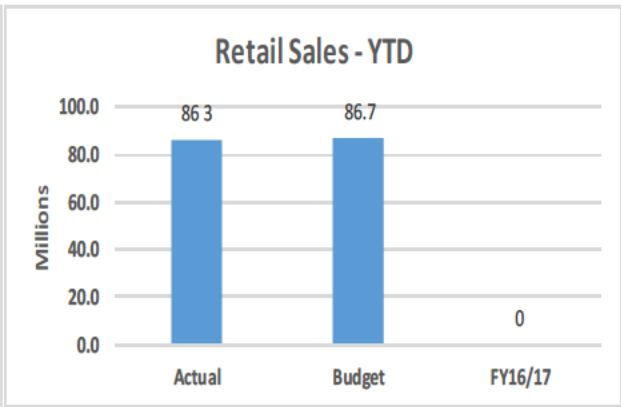
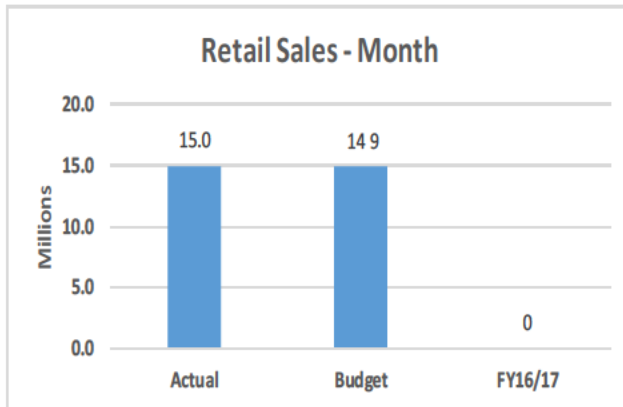
Change in Net Position	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	T total	Amended Budget
Actual	6,742	1,818	578	2,847	94								12,079	55,906
Power Supply Costs	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	T total	Amended Budget
Energy & REC's	13,251	12,727	14,439	13,620	14,992								69,029	
Capacity	275	743	657	724	742								3,141	
CAISO Charges	1,034	534	2,813	882	1,292								6,555	
NEM Expense	44	(19)	(47)	(63)	(4)								(89)	
Charge/Credit (IST/Net Rev)	591	(1,127)	(1,828)	(2,934)	(2,789)								(8,087)	
Net Power Costs	15,195	12,859	16,034	12,228	14,233	-	-	-	-	-	-	-	70,550	182,561

Other	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	T total	Amended Budget
Capital Expenditures	-	-	9	2	-								11	50
Energy Programs	-	-	-	14	-								14	4,780

Load Statistics - GWh	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	T total	Amended Budget
Retail Sales Actual	285	266	295	278	254								1,378	
Retail Sales Budget	285	266	295	278	269								1,393	3,542



Other Statistics and Ratios	
Working Capital	\$39,960,265
Current Ratio	2.3
Contribution Margin	\$13,816,833
Expense Coverage Days	60
Return on Equity	30%
Long-Term Debt	\$0
Total Accounts	242,315
Opt-Out Accounts	7,643
Opt-Up Accounts	2,402



SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of February 28, 2018

ASSETS

Current Assets

Cash & Cash Equivalents	\$ 42,097,509
Accounts Receivable, net of allowance	13,852,036
Energy Settlements Receivable	346,605
Accrued Revenue	10,052,098
Other Receivables	212,470
Prepaid Expenses	252,520
Deposits	1,700,000
Restricted cash - lockbox	2,500,000

Total Current Assets **71,013,238**

Noncurrent assets

Capital assets, net of depreciation	163,528
Deposits	129,360

Total Noncurrent Assets **292,888**

Total Assets **71,306,126**

LIABILITIES

Current Liabilities

Accounts Payable	218,943
Accrued Cost of Electricity	28,413,949
Accrued Payroll & Benefits	189,882
Other Accrued Liabilities	401,500
User Taxes and Energy Surcharges due to other gov'ts	643,699
Supplier Security Deposits	1,185,000

Total Current Liabilities **31,052,973**

NET POSITION

Net investment in capital assets	163,528
Unrestricted (deficit)	40,089,625
Total Net Position	\$ 40,253,153

SILICON VALLEY CLEAN ENERGY AUTHORITY

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

October 1, 2017 through February 28, 2018

OPERATING REVENUES

Electricity Sales, Net	\$ 85,973,717
GreenPrime electricity premium	277,962
Other income	30,750
TOTAL OPERATING REVENUES	<u>86,282,429</u>

OPERATING EXPENSES

Cost of Electricity	70,550,596
Staff Compensation and benefits	933,747
Data Management	1,388,118
Service Fees - PG&E	526,882
Consultants and Other Professional Fees	341,961
Legal	141,403
Communications & Noticing	76,966
General & Administrative	354,792
Depreciation	14,642
TOTAL OPERATING EXPENSES	<u>74,329,107</u>
OPERATING INCOME(LOSS)	<u>11,953,322</u>

NONOPERATING REVENUES (EXPENSES)

Interest Income	-
Interest and related expenses	(15,666)
TOTAL NONOPERATING EXPENSES	<u>(15,666)</u>

CHANGE IN NET POSITION

	11,937,656
Net Position at beginning of period	28,315,497
Net Position at end of period	<u>\$ 40,253,153</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2017 through February 28, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 98,621,311
Receipts from other income	30,750
Receipts from supplier security deposits	1,185,000
Tax and surcharge receipts from customers	2,128,089
Energy settlements received	4,798,451
Deposits and collateral received	2,200,000
Payments to purchase electricity	(69,821,050)
Payments for staff compensation and benefits	(828,660)
Payments for data manager fees	(1,660,901)
Payments for PG&E service fees	(508,426)
Payments for consultants and other professional services	(359,737)
Payments for legal fees	(133,400)
Payments for communications and noticing	(83,118)
Payments for general and administrative	(363,596)
Energy settlements paid	(3,347,435)
Payments of deposits and collateral	(663,000)
Tax and surcharge payments to other governments	(2,176,810)
Net cash provided (used) by operating activities	<u>29,017,468</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Principal payments on loan	(5,630,000)
Interest and related expense payments	(22,892)
Net cash provided (used) by non-capital financing activities	<u>(5,652,892)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(10,664)</u>
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CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Interest income received	<u>-</u>
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Net change in cash and cash equivalents	23,353,912
Cash and cash equivalents at beginning of year	<u>21,243,597</u>
Cash and cash equivalents at end of period	<u>\$ 44,597,509</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)
October 1, 2017 through February 28, 2018

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating Income (loss)	\$ 11,953,322
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	14,642
Revenue reduced for uncollectible accounts	435,583
(Increase) decrease in net accounts receivable	7,132,731
(Increase) decrease in energy settlements receivable	(80,277)
(Increase) decrease in other receivables	(12,470)
(Increase) decrease in accrued revenue	4,924,224
(Increase) decrease in prepaid expenses	(180,678)
(Increase) decrease in current deposits	1,537,000
Increase (decrease) in accounts payable	(631,279)
Increase (decrease) in accrued payroll & benefits	104,859
Increase (decrease) in supplier security deposits	1,185,000
Increase (decrease) in accrued cost of electricity	2,425,838
Increase (decrease) in accrued liabilities	380,600
Increase (decrease) taxes and surcharges due to other governments	(171,627)
Net cash provided (used) by operating activities	<u>\$ 29,017,468</u>

**SILICON VALLEY CLEAN ENERGY
BUDGETARY COMPARISON SCHEDULE
October 1, 2017 through February 28, 2018**

	FYTD <u>Actual</u>	FYTD <u>Amended Budget</u>	Variance <u>\$</u>	FY 2017-18 <u>Amended Budget</u>	FY 2017-18 <u>% Budget Spent</u>
REVENUES & OTHER SOURCES					
Energy Sales	\$ 85,973,717	\$ 86,442,338	\$ (468,621)	\$ 253,508,101	-1%
Green Prime Premium	277,962	266,886	11,076	609,889	4%
Other Income	30,750	33,250	(2,500)	50,750	-8%
Investment Income	-	-	-	100,000	0%
TOTAL REVENUES & OTHER SOURCES	<u>86,282,429</u>	<u>86,742,474</u>	<u>(460,045)</u>	<u>254,268,741</u>	<u>-1%</u>
EXPENDITURES & OTHER USES					
CURRENT EXPENDITURES					
Power Supply	70,550,596	70,041,056	(509,540)	182,561,000	39%
Data Management	1,388,118	1,378,460	(9,658)	3,276,512	42%
PG&E Fees	526,882	526,759	(123)	886,912	59%
Salaries & Benefits	933,747	1,077,818	144,071	3,555,301	26%
Professional Services	469,526	552,083	82,557	1,325,000	35%
Marketing & Promotions	60,270	229,167	168,897	550,000	11%
Notifications	16,696	12,500	(4,196)	125,000	13%
Lease	127,750	139,394	11,644	334,650	38%
General & Administrative	227,042	249,125	22,083	597,900	38%
TOTAL CURRENT EXPENDITURES	<u>74,300,627</u>	<u>74,206,362</u>	<u>(94,265)</u>	<u>193,212,276</u>	<u>38%</u>
OTHER USES					
Customer Programs	13,838	645,858	632,020	5,070,000	0%
Office Equipment	10,665	15,581	4,916	50,000	21%
TOTAL OTHER USES	<u>24,503</u>	<u>661,439</u>	<u>636,936</u>	<u>5,120,000</u>	<u>0%</u>
DEBT SERVICE					
Interest	15,666	15,666	-	15,666	100%
Principal	5,630,000	5,630,000	-	5,630,000	100%
TOTAL DEBT SERVICE	<u>5,645,666</u>	<u>5,645,666</u>	<u>-</u>	<u>5,645,666</u>	<u>100%</u>
Total Expenditures, Other Uses & Debt Service	<u>79,970,796</u>	<u>80,513,467</u>	<u>542,671</u>	<u>203,977,942</u>	<u>39%</u>
Net Increase(Decrease) in Available Fund Balance	<u>\$ 6,311,633</u>	<u>\$ 6,229,007</u>	<u>\$ 82,626</u>	<u>\$ 50,290,799</u>	<u>1%</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

**BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION**

Net Increase (decrease) in available fund balance per budgetary comparison schedule	\$ 6,311,633
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position	
Subtract depreciation expense	(14,642)
Add back capital asset acquisitions	10,665
Add back principal payments on debt	<u>5,630,000</u>
Change in Net Position	<u>11,937,656</u>

**SILICON VALLEY CLEAN ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

October 1, 2017 through February 28, 2018

	October	November	December	January	February	March	April	May	June	July	August	September	YTD
OPERATING REVENUES													
Electricity sales, net	\$ 22,523,034	\$ 15,426,854	\$ 17,324,129	\$ 15,778,435	\$ 14,921,265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,973,717
Green electricity premium	32,946	63,341	61,848	62,605	57,222								277,962
Other income	-	-	24,450	6,300	-								30,750
Total operating revenues	22,555,980	15,490,195	17,410,427	15,847,340	14,978,487								86,282,429
OPERATING EXPENSES													
Cost of electricity	15,195,616	12,859,048	16,034,462	12,228,493	14,232,977								70,550,596
Staff compensation and benefits	196,743	168,026	197,149	161,974	209,855								933,747
Data manager	276,838	277,564	277,114	281,602	275,000								1,388,118
Service fees - PG&E	920	200,000	104,290	120,027	101,645								526,882
Consultants and other professional fees	78,816	90,373	106,105	141,733	1,900								418,927
General and administration	55,285	66,571	110,236	62,956	59,744								354,792
Depreciation	2,762	2,762	3,001	3,059	3,068								14,642
Total operating expenses	15,806,980	13,664,344	16,832,357	12,999,844	14,884,179								74,187,704
Operating income (loss)	6,749,000	1,825,851	578,070	2,847,496	94,308								12,094,725
NONOPERATING REVENUES (EXPENSES)													
Interest income	-	-	-	-	-								-
Interest and related expense	(7,442)	(8,224)	-	-	-								(15,666)
Total nonoperating revenues (expenses)	(7,442)	(8,224)	-	-	-								(15,666)
CHANGE IN NET POSITION	\$ 6,741,558	\$ 1,817,627	\$ 578,070	\$ 2,847,496	\$ 94,308	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,079,059

PERSONNEL REPORT

HEADCOUNT			
<u>Position</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Chief Executive Officer	1	1	0
Account Representative I / II	2	2	0
Account Services Manager	1	1	0
Administrative Analyst	3	2	1
Administrative Assistant	1	1	0
Board Clerk/Executive Assistant	1	1	0
Community Outreach Manager	1	1	0
Community Outreach Specialist	1	1	0
Director of Administration & Finance	1	1	0
Director of Marketing & Public Affairs	1	1	0
Director of Power Resources	1	0	1
Finance Manager	1	0	1
General Counsel & Director of Government Affairs	1	0	1
Power Contracts & Compliance Manager	1	1	0
Power Resource Planning & Programs Analyst	2	0	2
Manager of Regulatory & Legislative Affairs	1	1	0
Associate Regulatory Analyst	<u>1</u>	<u>0</u>	<u>1</u>
Total	<u>21</u>	<u>14</u>	<u>7</u>

CONTINGENT POSITIONS			
Position	Dollars		% YTD Spent
	FY2017-18 Budget	FY2017-18 Actual	
Climate Fellows / Part-Time	\$144,000	70,257	49%

FINANCING REPORT

CREDIT AGREEMENT

The credit agreement with River City Bank expired at the end of December 2017.

SVCE advanced \$1.5 million of the available \$2.0 million from the non-revolving line of credit. All advances were paid in August 2017.

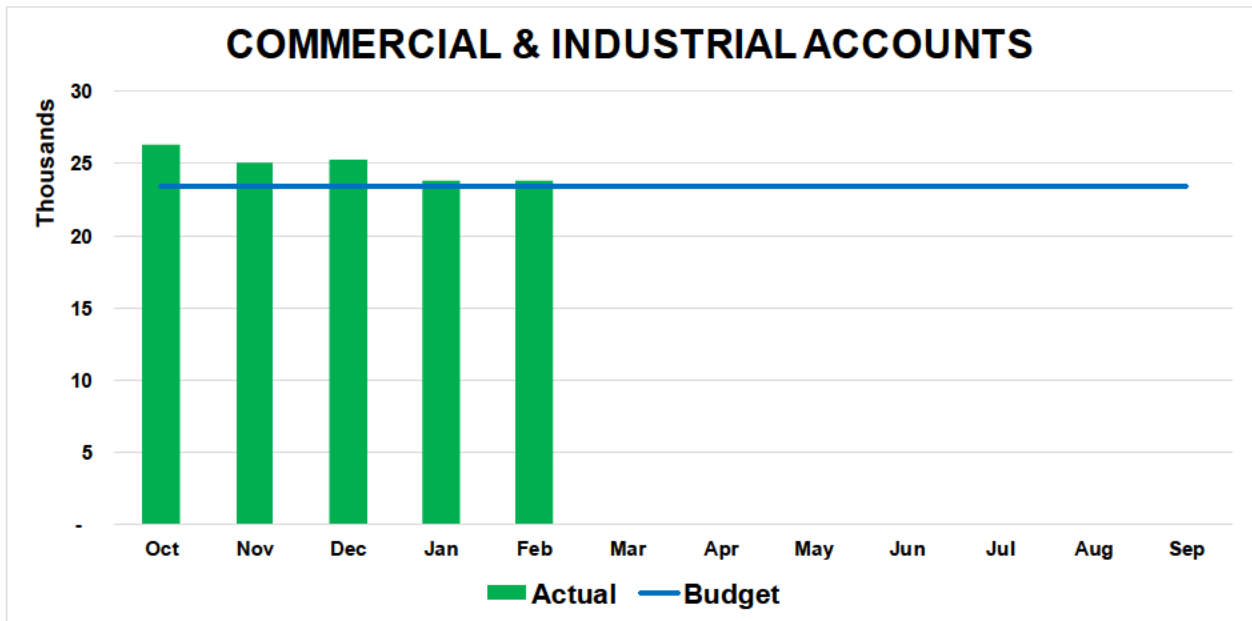
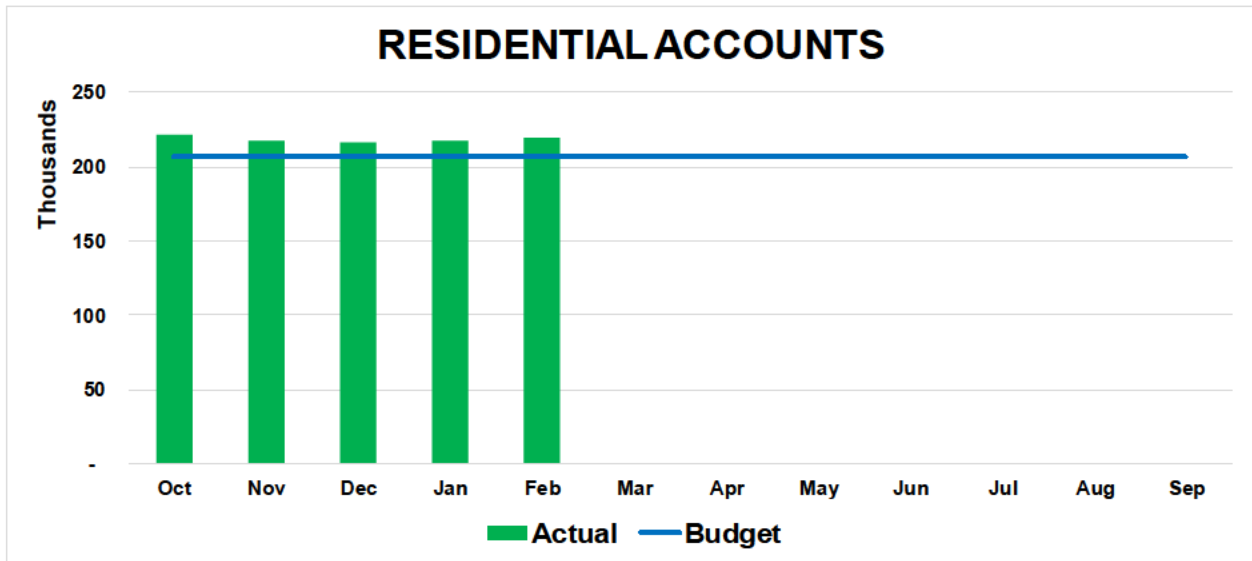
SVCE advanced \$2.9 million of the available \$18.0 million revolving line of credit. The balance was paid in December 2017.

MEMBER AGENCY LOAN

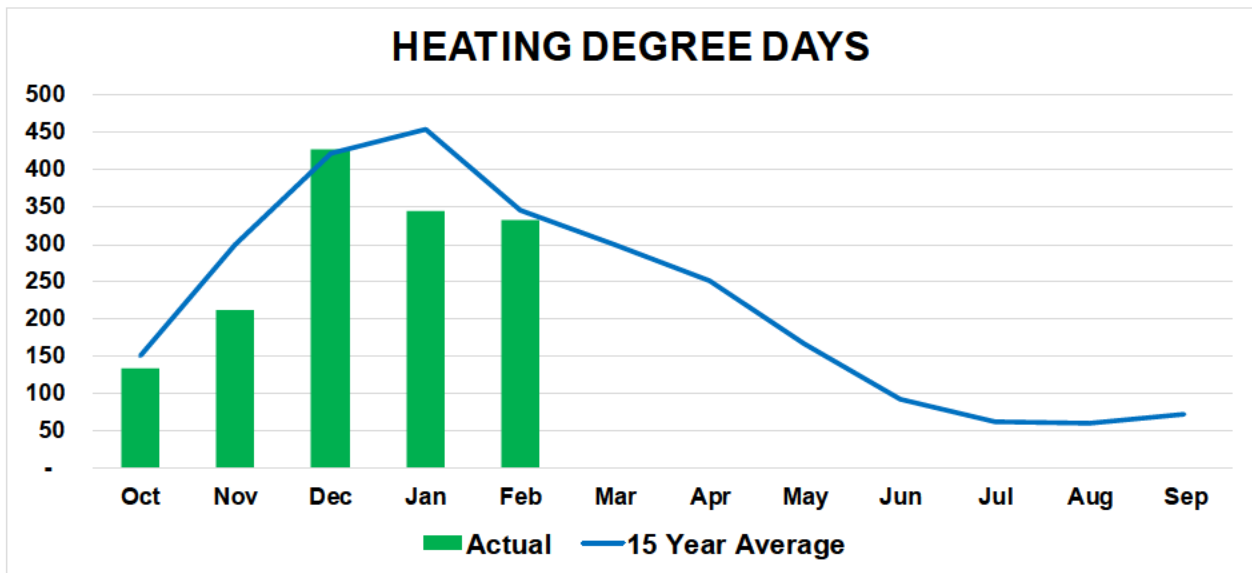
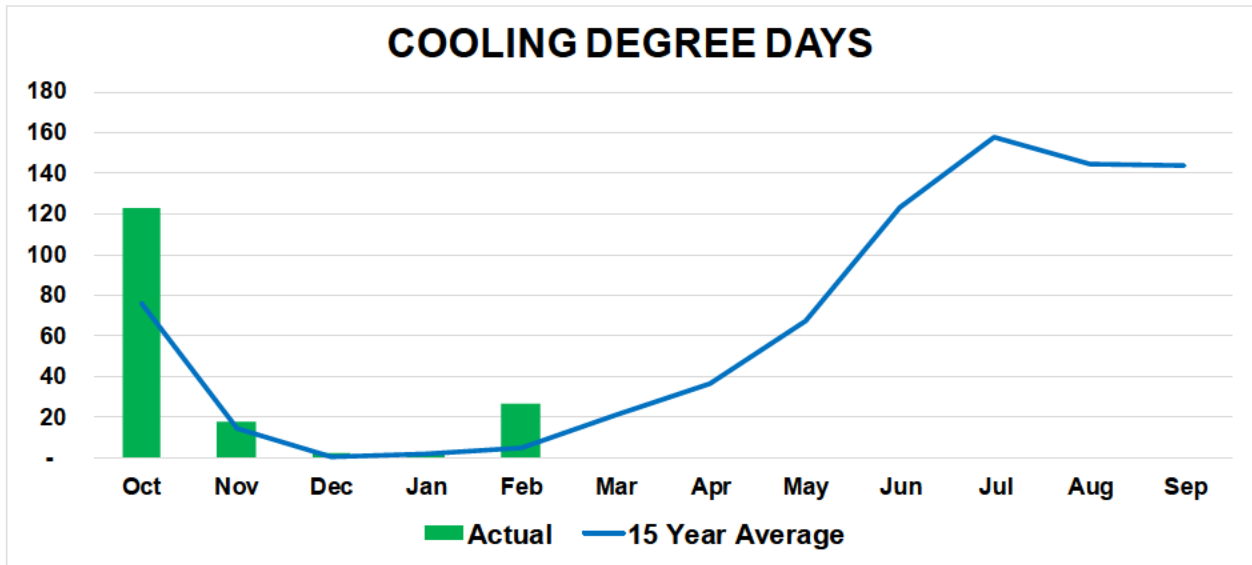
SVCE paid back the Member Agency Loan of \$2.7 million loan in January 2018.

No new debt is anticipated for remainder of fiscal year.

CUSTOMER ACCOUNTS



WEATHER STATISTICS



**SILICON VALLEY CLEAN ENERGY AUTHORITY
ACCOUNTS RECEIVABLE AGING REPORT**

	Total	Days				
		0-30	31-60	61-90	90-120	Over 120
Accounts Receivable	\$14,759,681	\$13,352,427	\$628,534	\$252,140	\$192,287	\$334,293
Period %	100%	90.5%	4.3%	1.7%	1.3%	2.3%