



TREASURER REPORT

**Fiscal Year to Date
As of June 30, 2018**

(Preliminary & Unaudited)

Issue Date: August 13, 2018

Table of Contents

	<u>Page</u>
Summary	2-3
Statement of Net Position	4
Statement of Revenues, Expenses & Changes in Net Position	5
Statement of Cash Flows	6-7
Actuals to Budget Report	8-9
Monthly Change in Net Position	10
Personnel Report	11
Investments Report	12
Customer Accounts	13
Weather Statistics	14
Accounts Receivable Aging Report	15

SILICON VALLEY CLEAN ENERGY AUTHORITY

Financial Statement Highlights (\$ in 000's)

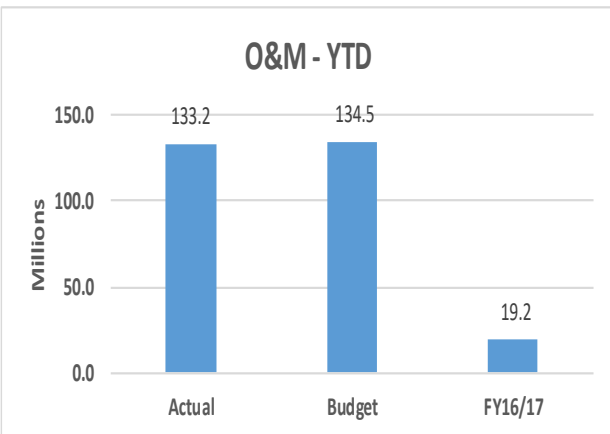
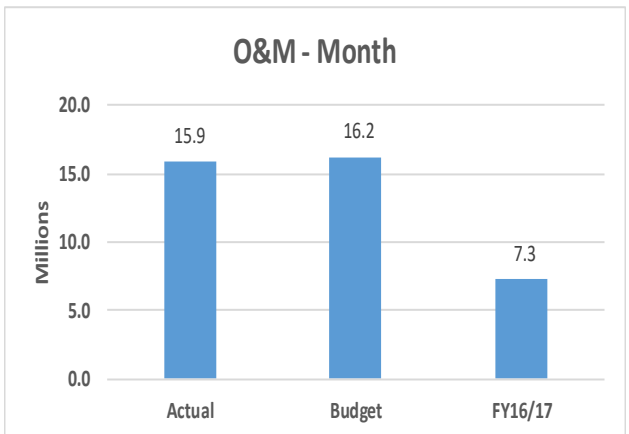
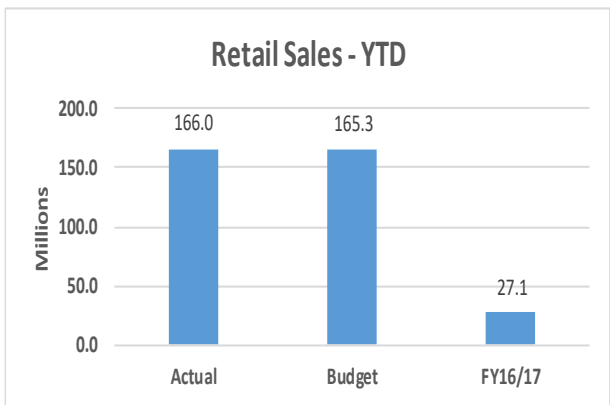
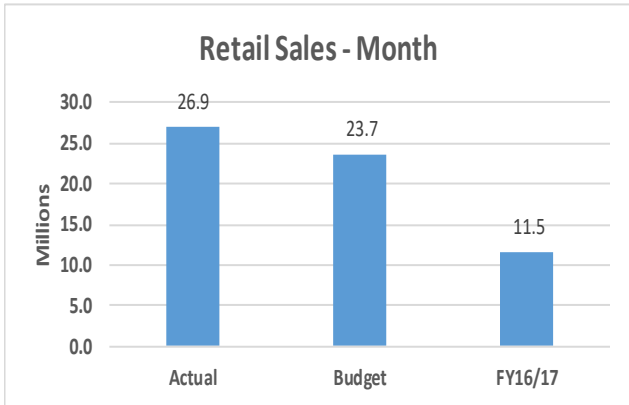
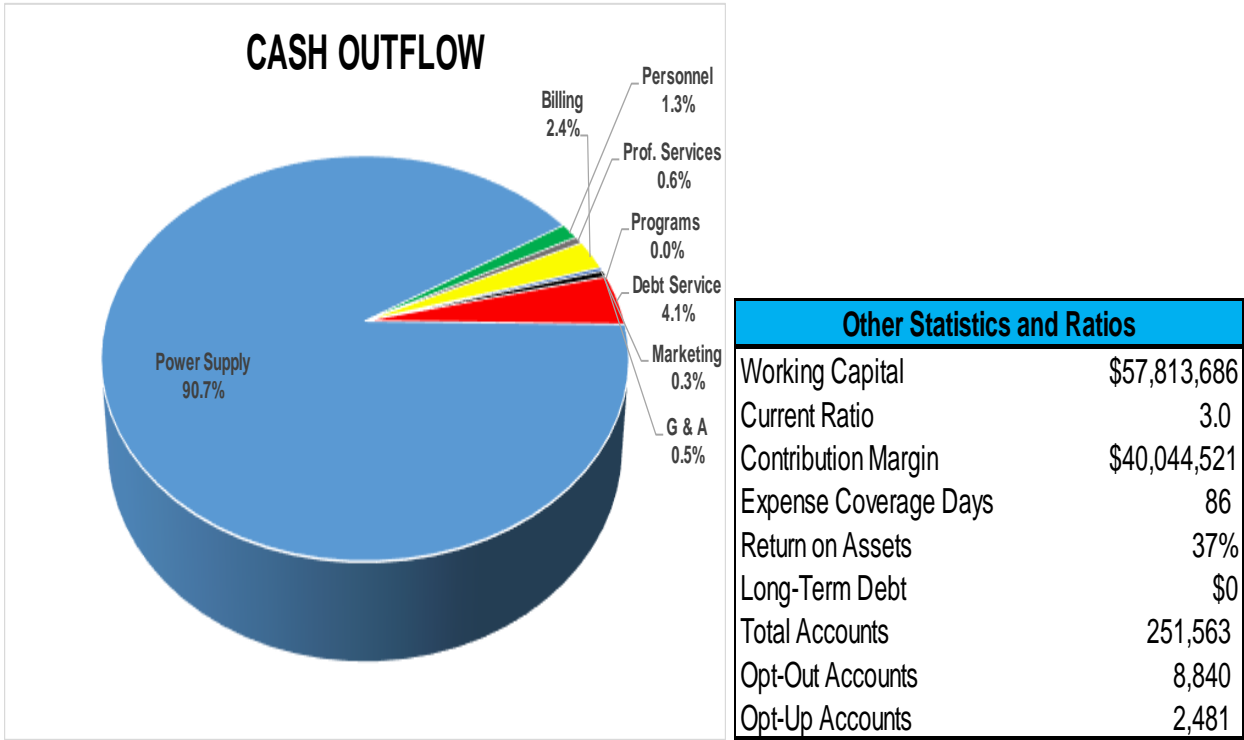
Financial Highlights for the month of June 2018:

SVCE began serving the City of Milpitas on June 1, 2018. June will be a transition month with all eligible accounts on-line by the end of the month.

SVCE ends the month in stable financial condition.

- > SVCE operations resulted in positive change in net position for the month of \$11.1 million and year-to-date positive change in net position of \$32.8 million.
 - o June's revenue of \$26.9 million accounted for 315 GWh in net retail consumption.
 - o Results for the month came in \$0.4 million above plan.
 - o Year-to-date contribution margin is \$40.1 million with a current ratio of 3.0.
- > Retail GWh sales are on target.
 - o Since the mid-year budget adjustment, volume has been a combined 6 GWh's ahead of the amended budget.
 - o Energy load was re-forecasted for February through September in the mid-year budget. Forecasted GWh sales for the fiscal year is 3,542.
- > Power Supply
 - o Power supply costs for the month were on target to plan.
 - o SVCE has accrued a large desposit balance with PG&E for future Resource Adequacy needs.
 - o One of the three long-term power purchase agreements negotiations concluded in June. Supply begins in 2021.
 - o Incremental power supply needs, due to serving Milpitas, have been secured through the end of the calendar year.
- > Programs/Capital
 - o Year-to-date programs activity includes GHG accounting services.
 - o A Customer Program Advisory Group was initiated in January 2018. Recommendations were presented at the June 2018 Board of Directors meeting.
- > Investing/Financing
 - o SVCE is debt free at the end of January 2018.

Change in Net Position	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Amended Budget
Actual	6,742	1,818	578	2,847	94	(416)	1,155	8,908	11,068				32,794	55,893
Power Supply Costs	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Amended Budget
Energy & REC's	13,251	12,727	14,439	13,620	14,992	14,302	12,992	11,700	12,163				120,186	
Capacity	275	743	657	724	742	643	714	800	1,421				6,718	
CAISO Charges	1,034	534	2,813	882	1,292	453	325	297	283				7,913	
NEM Expense	44	(19)	(47)	(63)	(4)	26	38	265	413				653	
Charge/Credit (IST/Net Rev)	591	(1,127)	(1,828)	(2,934)	(2,789)	285	(943)	(1,528)	719				(9,554)	
Net Power Costs	15,195	12,859	16,034	12,228	14,233	15,708	13,127	11,534	14,999	-	-	-	125,917	182,561
Other	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Amdended Budget
Capital Expenditures	-	-	9	2	-	10	-	-	-				21	50
Energy Programs	-	-	-	14	-	-	-	-	-				14	4,780
Load Statistics - GWh	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Amended Budget
Retail Sales Actual	285	266	295	278	254	282	255	267	315				2,497	
Retail Sales Budget	285	266	295	278	269	256	261	266	315				2,491	3,543



SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of June 30, 2018

ASSETS

Current Assets

Cash & Cash Equivalents	\$ 34,939,606
Accounts Receivable, net of allowance	18,441,454
Energy Settlements Receivable	-
Accrued Revenue	18,207,261
Other Receivables	299,206
Prepaid Expenses	6,199,223
Deposits	5,505,770
Restricted cash - lockbox	2,500,000

Total Current Assets **86,092,520**

Noncurrent assets

Capital assets, net of depreciation	166,979
Deposits	3,129,060

Total Noncurrent Assets **3,296,039**

Total Assets **89,388,559**

LIABILITIES

Current Liabilities

Accounts Payable	694,639
Accrued Cost of Electricity	25,168,515
Accrued Payroll & Benefits	250,198
Other Accrued Liabilities	109,000
User Taxes and Energy Surcharges due to other gov'ts	871,482
Supplier Security Deposits	1,185,000

Total Current Liabilities **28,278,834**

NET POSITION

Net investment in capital assets	166,979
Unrestricted (deficit)	60,942,746
Total Net Position	\$ 61,109,725

SILICON VALLEY CLEAN ENERGY AUTHORITY

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

October 1, 2017 through June 30, 2018

OPERATING REVENUES

Electricity Sales, Net	\$ 165,262,850
GreenPrime electricity premium	534,218
Other income	<u>165,060</u>

TOTAL OPERATING REVENUES **165,962,128**

OPERATING EXPENSES

Cost of Electricity	125,917,607
Staff Compensation and benefits	1,870,236
Data Management	2,526,946
Service Fees - PG&E	865,584
Consultants and Other Professional Fees	600,191
Legal	268,221
Communications & Noticing	443,755
General & Administrative	702,795
Depreciation	<u>27,878</u>

TOTAL OPERATING EXPENSES **133,223,213**

OPERATING INCOME(LOSS) **32,738,915**

NONOPERATING REVENUES (EXPENSES)

Interest Income	70,979
Interest and related expenses	(15,666)

TOTAL NONOPERATING EXPENSES **55,313**

CHANGE IN NET POSITION 32,794,228

Net Position at beginning of period 28,315,497

Net Position at end of period **\$ 61,109,725**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2017 through June 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 165,505,853
Receipts from other income	116,060
Receipts from supplier security deposits	1,185,000
Tax and surcharge receipts from customers	3,599,453
Energy settlements received	7,476,748
Desposits and collateral received	2,200,300
Payments to purchase electricity	(135,003,201)
Payments for staff compensation and benefits	(1,705,158)
Payments for data manager fees	(2,774,183)
Payments for PG&E service fees	(715,886)
Payments for consultants and other professional services	(617,693)
Payments for legal fees	(258,860)
Payments for communications and noticing	(410,979)
Payments for general and administrative	(762,170)
Energy settlements paid	(5,057,116)
Payments of deposits and collateral	(7,468,770)
Tax and surcharge payments to other governments	(3,504,125)
Net cash provided (used) by operating activities	<u>21,805,273</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>(27,351)</u>
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CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Interest income received	<u>70,979</u>
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Net change in cash and cash equivalents	16,196,009
Cash and cash equivalents at beginning of year	<u>21,243,597</u>
Cash and cash equivalents at end of period	<u><u>\$ 37,439,606</u></u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)

October 1, 2017 through June 30, 2018

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

Operating Income (loss)	\$ 32,738,915
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	27,878
Revenue reduced for uncollectible accounts	833,151
(Increase) decrease in net accounts receivable	2,145,745
(Increase) decrease in energy settlements receivable	266,328
(Increase) decrease in othe receivables	(99,206)
(Increase) decrease in accrued revenue	(3,230,939)
(Increase) decrease in prepaid expenses	(6,127,381)
(Increase) decrease in current deposits	(5,268,470)
Increase (decrease) in accounts payable	(155,583)
Increase (decrease) in accrued payroll & benefits	165,175
Increase (decrease) in energy settlements payable	512,777
Increase (decrease) in supplier security deposits	1,185,000
Increase (decrease) in accrued cost of electricity	(1,332,373)
Increase (decrease) in accrued liabilities	88,100
Increase (decrease) taxes and surcharges due to other governments	56,156
Net cash provided (used) by operating activities	<u>\$ 21,805,273</u>

SILICON VALLEY CLEAN ENERGY
BUDGETARY COMPARISON SCHEDULE
October 1, 2017 through June 30, 2018

	FYTD <u>Actual</u>	FYTD <u>Amended Budget</u>	<u>Variance</u> \$	%	FY 2017-18 <u>Amended Budget</u>	% Budget <u>Spent</u>
REVENUES & OTHER SOURCES						
Energy Sales	\$ 165,262,850	\$ 164,782,721	\$ 480,129	0%	\$ 253,508,101	
Green Prime Premium	534,218	456,467	77,751	17%	609,889	
Other Income	165,060	43,250	121,810	282%	50,750	
Investment Income	<u>70,979</u>	<u>50,000</u>	<u>20,979</u>	<u>0%</u>	<u>100,000</u>	
TOTAL REVENUES & OTHER SOURCES	<u>166,033,107</u>	<u>165,332,438</u>	<u>700,669</u>	<u>0%</u>	<u>254,268,741</u>	
EXPENDITURES & OTHER USES						
CURRENT EXPENDITURES						
Power Supply	125,917,607	126,657,423	739,816	1%	182,561,000	69%
Data Management	2,526,946	2,432,687	(94,259)	-4%	3,276,512	77%
PG&E Fees	865,584	725,818	(139,766)	-19%	886,912	98%
Salaries & Benefits	1,870,236	2,493,523	623,287	25%	3,555,301	53%
Professional Services	854,574	993,750	139,176	14%	1,325,000	64%
Marketing & Promotions	303,101	412,500	109,399	27%	550,000	55%
Notifications	140,654	117,500	(23,154)	-20%	125,000	113%
Lease	240,556	250,969	10,413	4%	334,650	72%
General & Administrative	<u>462,239</u>	<u>448,425</u>	<u>(13,814)</u>	<u>-3%</u>	<u>597,900</u>	<u>77%</u>
TOTAL CURRENT EXPENDITURES	<u>133,181,497</u>	<u>134,532,594</u>	<u>1,351,097</u>	<u>1%</u>	<u>193,212,276</u>	<u>69%</u>
OTHER USES						
Customer Programs	13,838	3,173,939	3,160,101	0%	5,070,000	0%
Office Equipment	21,142	35,249	14,107	40%	50,000	42%
TOTAL OTHER USES	<u>34,980</u>	<u>3,209,188</u>	<u>3,174,208</u>	<u>99%</u>	<u>5,120,000</u>	<u>1%</u>
DEBT SERVICE						
Interest	15,666	15,666	-	0%	15,666	100%
Principal	<u>5,630,000</u>	<u>5,630,000</u>	<u>-</u>	<u>0%</u>	<u>5,630,000</u>	<u>100%</u>
TOTAL DEBT SERVICE	<u>5,645,666</u>	<u>5,645,666</u>	<u>-</u>	<u>0%</u>	<u>5,645,666</u>	<u>100%</u>
Total Expenditures, Other Uses & Debt Service	<u>138,862,143</u>	<u>143,387,449</u>	<u>4,525,306</u>	<u>3%</u>	<u>203,977,942</u>	<u>68%</u>
Net Increase(Decrease) in Available Fund Balance	<u>\$ 27,170,964</u>	<u>\$ 21,944,989</u>	<u>\$ 5,225,975</u>	<u>24%</u>	<u>\$ 50,290,799</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	\$ 27,170,964
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position	
Subtract depreciation expense	(27,878)
Add back capital asset acquisitions	21,142
Add back principal payments on debt	<u>5,630,000</u>
Change in Net Position	<u><u>32,794,228</u></u>

SILICON VALLEY CLEAN ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
October 1, 2017 through June 30, 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	\$ 16,117,978	\$ 15,156,265	\$ 21,182,416	\$ 26,832,474	\$ -	\$ -	\$ -	\$ 165,262,850
Green electricity premium	32,946	63,341	61,848	62,605	57,222	64,918	60,208	63,856	67,274				534,218
Other income	-	-	24,450	6,300	-	34,560	22,750	28,000	49,000				165,060
Total operating revenues	22,555,980	15,490,195	17,410,427	15,847,340	14,978,487	16,217,456	15,239,223	21,274,272	26,948,748	-	-	-	165,962,128
OPERATING EXPENSES													
Cost of electricity	15,195,616	12,859,048	16,034,462	12,228,493	14,232,977	15,707,933	13,126,160	11,533,566	14,999,352				125,917,607
Staff compensation and benefits	196,743	168,026	197,149	161,974	209,855	228,403	200,838	242,800	264,448				1,870,236
Data manager	276,838	277,564	277,114	281,602	275,000	287,603	281,378	269,300	300,547				2,526,946
Service fees - PG&E	920	200,000	104,290	120,027	101,645	81,816	84,000	88,886	84,000				865,584
Consultants and other professional fees	78,816	90,373	106,105	141,733	1,900	159,302	334,755	196,776	202,407				1,312,167
General and administration	55,285	66,571	110,236	62,956	59,744	168,407	74,931	54,233	50,432				702,795
Depreciation	2,762	2,762	3,001	3,059	3,058	3,153	3,299	3,364	3,420				27,878
Total operating expenses	15,806,980	13,664,344	16,832,357	12,999,844	14,884,179	16,636,617	14,105,361	12,388,925	15,904,606	-	-	-	133,223,213
Operating income (loss)	6,749,000	1,825,851	578,070	2,847,496	94,308	(419,161)	1,133,862	8,885,347	11,044,142	-	-	-	32,738,915
NONOPERATING REVENUES (EXPENSES)													
Interest income	-	-	-	-	-	3,452	20,727	22,840	23,960				70,979
Interest and related expense	(7,442)	(8,224)	-	-	-	-	-	-	-	-	-	-	(15,666)
Total nonoperating revenues (expenses)	(7,442)	(8,224)	-	-	-	3,452	20,727	22,840	23,960	-	-	-	55,313
CHANGE IN NET POSITION	\$ 6,741,558	\$ 1,817,627	\$ 578,070	\$ 2,847,496	\$ 94,308	\$ (415,709)	\$ 1,154,589	\$ 8,908,187	\$ 11,068,102	\$ -	\$ -	\$ -	\$ 32,794,228

PERSONNEL REPORT

HEADCOUNT				
<u>Position</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	
Account Representative I	1	1	0	
Account Representative II	1	0	1	
Account Services Manager	1	1	0	
Administrative Analyst	1	1	0	
Administrative Assistant	1	1	0	
Associate Legislative Analyst	1	0	1	
Board Clerk/Executive Assistant	1	1	0	
Chief Executive Officer	1	1	0	
Community Outreach Manager	1	1	0	
Community Outreach Specialist	1	1	0	
Director of Finance and Administration	1	1	0	
Director of Customer Care	1	1	0	
Director of Decarbonization and Grid Innovation Programs	1	1	0	
Director of Power Resources	1	1	0	
IT Specialist	1	1	0	
Manager of Regulatory & Legislative Effectiveness	1	1	0	
Power Contracts & Compliance Manager	1	1	0	
Power Settlements & Compliance Analyst	1	1	0	
Senior Regulatory Analyst	<u>1</u>	<u>0</u>	<u>1</u>	
Total*	19	16	3	

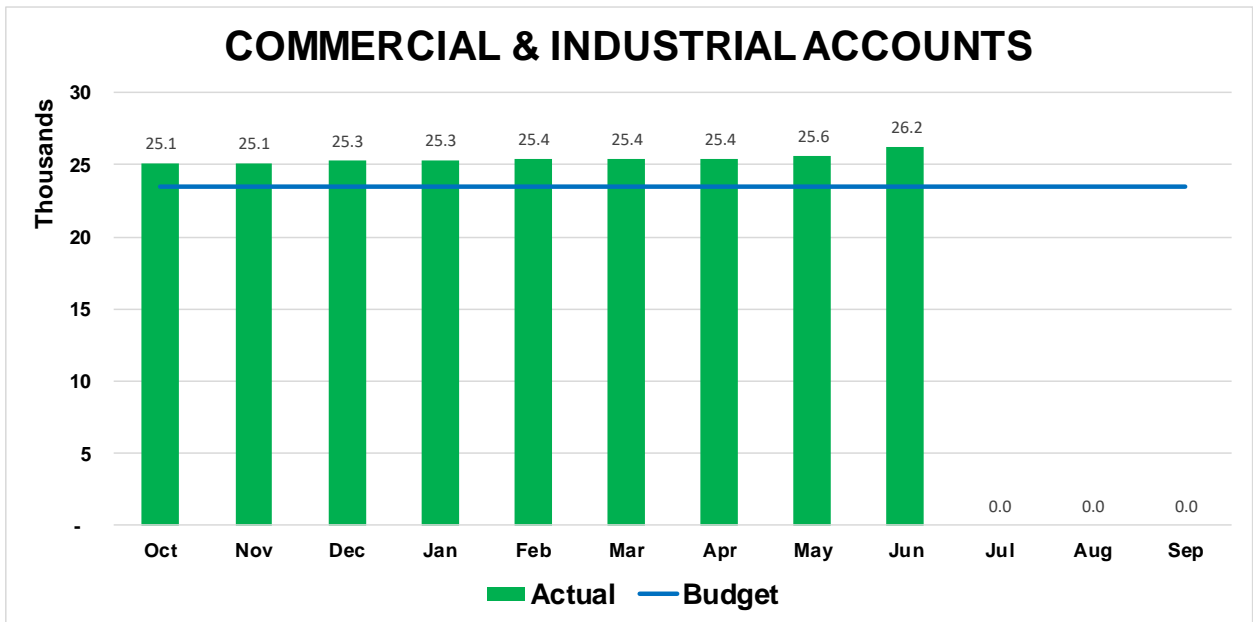
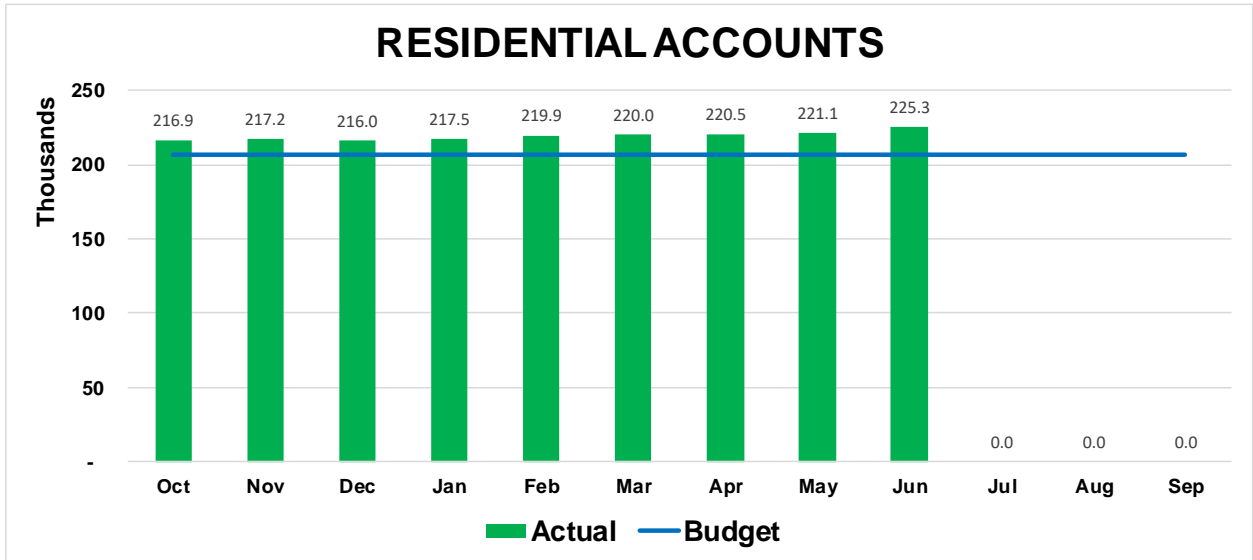
*Note: There are 21 total positions approved but 2 positions are being developed.

CONTINGENT POSITIONS			
<u>Position</u>	<u>Positions</u>		<u>Variance</u>
	<u>FY2017-18 Budget</u>	<u>FY2017-18 Actual</u>	
Climate Fellows / Temporary	4	4	-

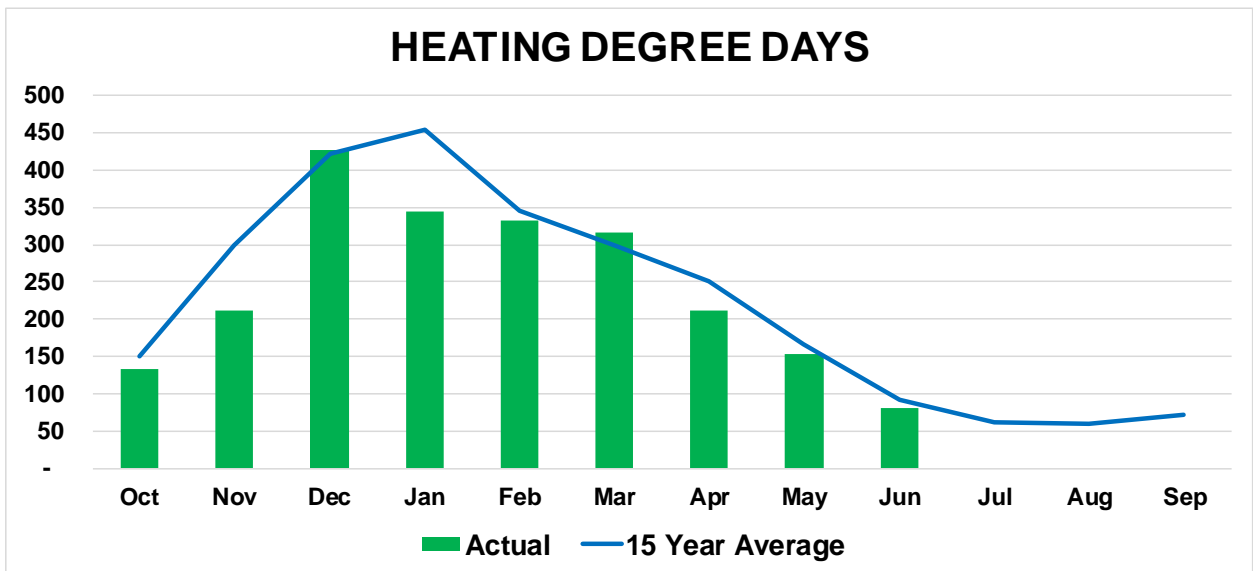
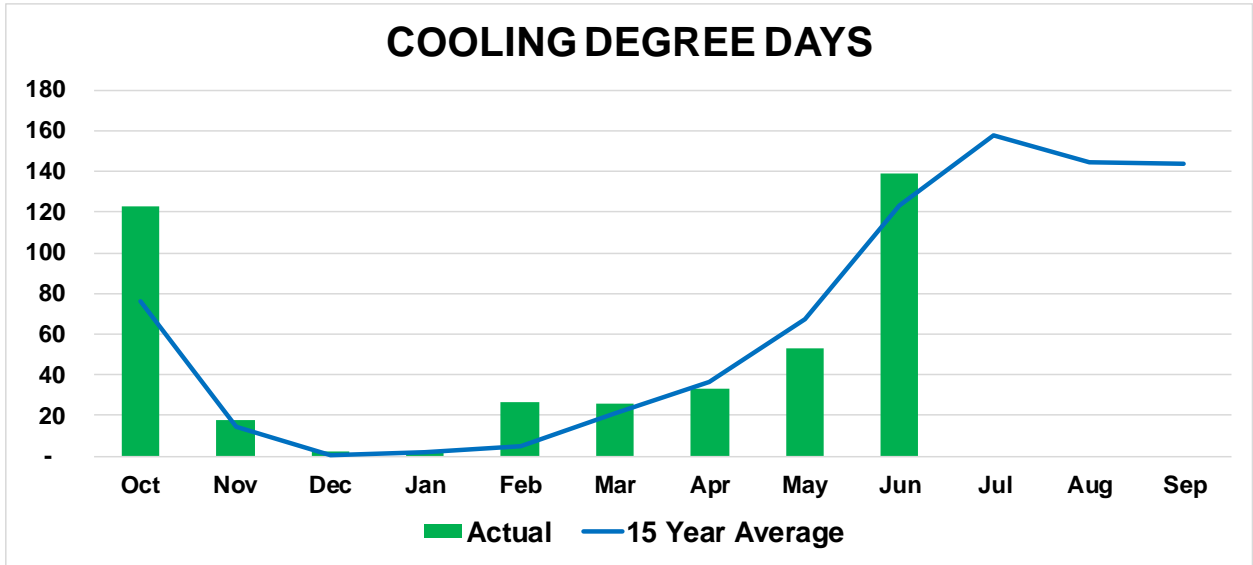
**SILICON VALLEY CLEAN ENERGY AUTHORITY
INVESTMENTS SUMMARY
October 1, 2017 through June 30, 2018**

Return on Investments	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	YTD Total	
<i>Money Market</i>	\$0	\$0	\$0	\$0	\$0	\$3,452	\$20,727	\$22,840	\$23,960				<u>\$70,979</u>	
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Portfolio Invested														
<i>Average daily portfolio available to invest</i>						\$36,750,070	37,850,501	34,800,713	32,162,513					
<i>Average daily portfolio invested</i>						\$20,003,452	20,004,143	20,024,915	20,048,616					
<i>% of average daily portfolio invested</i>						54.4%	52.9%	57.5%	62.3%					
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Detail of Portfolio														
	<u>Purchased Rate %</u>	<u>Maturity Rate %</u>												<u>Carrying Value</u>
<i>Money Market - River City Bank</i>	1.26%	1.26%												\$20,070,979
<hr/>														

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	\$19,746,667	\$18,108,830	\$731,200	\$291,827	\$158,301	\$456,509
Period %	100%	91.7%	3.7%	1.5%	0.8%	2.3%