



## **TREASURER REPORT**

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

*(Preliminary & Unaudited)*

**Issue Date: November 14, 2018**

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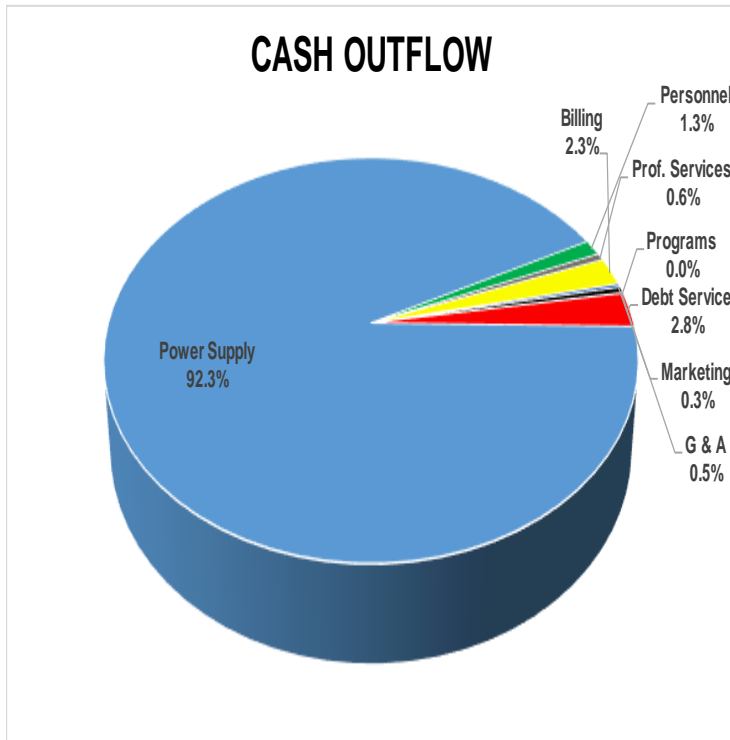
**SILICON VALLEY CLEAN ENERGY AUTHORITY**  
**Financial Statement Highlights (\$ in 000's)**

**Financial Highlights for the month of September 2018:**

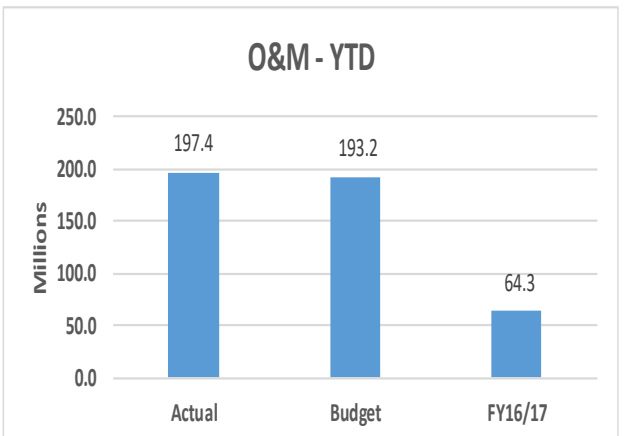
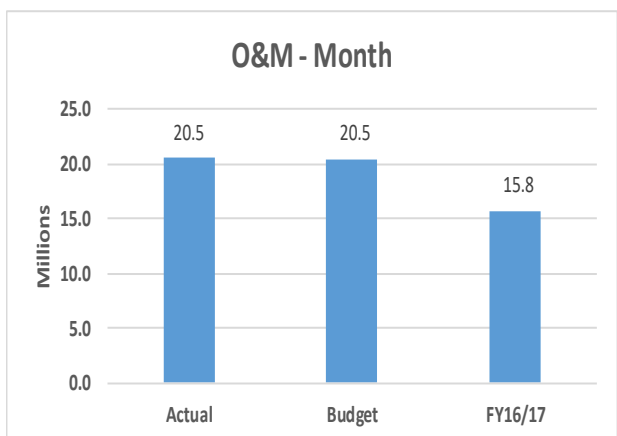
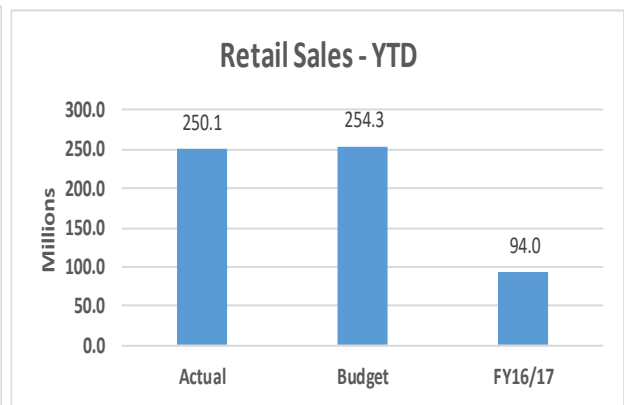
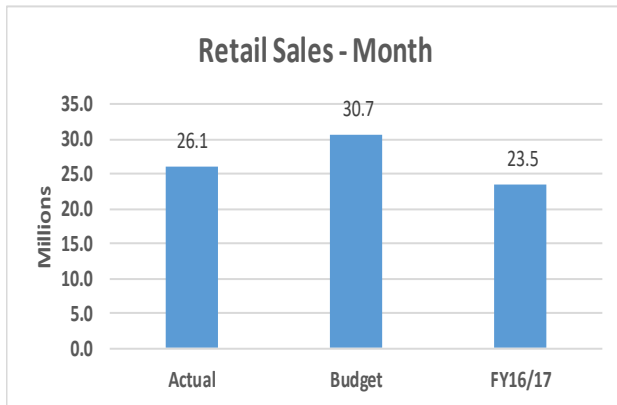
*Note that the financial audit, due to be completed February 2019, may result in material adjustments to the preliminary schedules contained in this report.*

- > SVCE operations resulted in positive change in net position for the month of \$5.6 million and year-to-date positive change in net position of \$52.5 million.
  - o September's revenue of \$26.1 million accounted for 303 GWh in net retail consumption.
  - o Fiscal year revenues are at \$249.9 million vs \$254.1 million budgeted, while year-to-date margin of \$62.4 million is now \$9.2 million below budget.
  - o SVCE ends the fiscal year achieving the minimum target for cash reserves.
- > Retail GWh sales for the month came in 60 GWh's below budget for the month and 1% below budget year-to-date.
  - o September's weather was much milder than expected.
  - o Energy load was re-forecasted for February though 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 included the settlement of above market hedges to cover the balance of August and all of September open positions.
  - o Margins were also below plan in part due to REC purchases.
  - o SVCE ends the month with a significant deposit with CAISO. Most of the deposit will be returned by the end of the calendar year.
  - o Negotiations have concluded on the remaining long term power purchase agreements featuring solar + storage.
- > Programs/Capital
  - o Year-to-date programs activity includes GHG accounting services.
  - o A Programs Roadmap will be presented to the Board of Directors in December 2018.
- > 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	5,395	8,734	5,615	52,537	55,881
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	12,687	11,525	17,890	162,289	
Capacity	275	743	657	724	742	643	714	800	1,421	2,423	2,379	2,525	14,046	
CAISO Charges	1,034	534	2,813	882	1,292	453	325	297	283	2,564	2,264	(530)	12,211	
NEM Expense	44	(19)	(47)	(63)	(4)	26	38	265	413	405	272	200	1,530	
Charge/Credit (IST/Net Rev)	591	(1,127)	(1,828)	(2,934)	(2,789)	285	(943)	(1,528)	719	5,084	2,394	(510)	(2,586)	
Net Power Costs	15,195	12,859	16,034	12,228	14,233	15,708	13,127	11,534	14,999	23,163	18,834	19,575	187,490	182,561
Other	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Amended Budget
Capital Expenditures	-	-	9	2	-	10	-	-	-	11	14	4	50	50
Energy Programs	-	-	-	14	-	-	-	-	-	85	-	-	99	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	367	343	303	3,510	
Retail Sales Budget	285	266	295	278	269	256	261	266	315	346	342	363	3,542	3,542



Other Statistics and Ratios	
Working Capital	\$77,539,004
Current Ratio	3.3
Contribution Margin	\$62,458,478
Expense Coverage Days	99
Return on Assets	46%
Long-Term Debt	\$0
Total Accounts	267,070
Opt-Out Accounts	9,309
Opt-Up Accounts	3,055



**SILICON VALLEY CLEAN ENERGY AUTHORITY**

**STATEMENT OF NET POSITION**

**As of September 30, 2018**

**ASSETS**

**Current Assets**

Cash & Cash Equivalents	\$ 56,963,340
Accounts Receivable, net of allowance	23,661,147
Accrued Revenue	16,931,361
Other Receivables	86,261
Prepaid Expenses	1,123,847
Deposits	11,055,770
Restricted cash - lockbox	2,000,000

**Total Current Assets** **111,821,726**

**Noncurrent assets**

Capital assets, net of depreciation	184,319
Deposits	3,129,560

**Total Noncurrent Assets** **3,313,879**

**Total Assets** **115,135,605**

**LIABILITIES**

**Current Liabilities**

Accounts Payable	700,685
Accrued Cost of Electricity	31,767,349
Accrued Payroll & Benefits	209,303
User Taxes and Energy Surcharges due to other gov'ts	1,020,385
Supplier Security Deposits	585,000

**Total Current Liabilities** **34,282,722**

**NET POSITION**

Net investment in capital assets	184,319
Unrestricted (deficit)	80,668,564
<b>Total Net Position</b>	<b>\$ 80,852,883</b>

**SILICON VALLEY CLEAN ENERGY AUTHORITY**

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

**October 1, 2017 through September 30, 2018**

**OPERATING REVENUES**

Electricity Sales, Net	\$ 249,204,377
GreenPrime electricity premium	730,235
Other income	13,500

**TOTAL OPERATING REVENUES** **249,948,112**

**OPERATING EXPENSES**

Cost of Electricity	187,489,634
Staff Compensation and benefits	2,644,652
Data Management	3,431,478
Service Fees - PG&E	1,161,129
Consultants and Other Professional Fees	892,267
Legal	341,116
Communications & Noticing	617,516
General & Administrative	931,479
Depreciation	39,629

**TOTAL OPERATING EXPENSES** **197,548,900**

**OPERATING INCOME(LOSS)** **52,399,212**

**NONOPERATING REVENUES (EXPENSES)**

Interest Income	153,840
Interest and related expenses	(15,666)

**TOTAL NONOPERATING EXPENSES** **138,174**

**CHANGE IN NET POSITION** 52,537,386

Net Position at beginning of period 28,315,497

**Net Position at end of period** **\$ 80,852,883**

**SILICON VALLEY CLEAN ENERGY AUTHORITY**

**STATEMENT OF CASH FLOWS**  
**October 1, 2017 through September 30, 2018**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from electricity sales	\$ 245,936,491
Receipts from other income	13,500
Receipts from supplier security deposits	1,185,000
Tax and surcharge receipts from customers	5,160,891
Energy settlements received	8,917,455
Deposits and collateral received	2,200,300
Payments to purchase electricity	(173,409,480)
Payments for staff compensation and benefits	(2,436,099)
Payments for data manager fees	(3,634,640)
Payments for PG&E service fees	(1,254,229)
Payments for consultants and other professional services	(868,421)
Payments for legal fees	(384,411)
Payments for communications and noticing	(581,714)
Payments for general and administrative	(955,536)
Energy settlements paid	(18,044,959)
Payments of deposits and collateral	(13,019,270)
Return of security desposits to suppliers	(600,000)
Tax and surcharge payments to other governments	(4,953,547)
<b>Net cash provided (used) by operating activities</b>	<b><u>43,271,331</u></b>

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

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

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Acquisition of capital assets	<u>(52,536)</u>
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**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Interest income received	<u>153,840</u>
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Net change in cash and cash equivalents	37,719,743
Cash and cash equivalents at beginning of year	<u>21,243,597</u>
<b>Cash and cash equivalents at end of period</b>	<b><u>\$ 58,963,340</u></b>

**SILICON VALLEY CLEAN ENERGY AUTHORITY**

**STATEMENT OF CASH FLOWS (Continued)**  
**October 1, 2017 through September 30, 2018**

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

Operating Income (loss)	\$ 52,399,212
<b>Adjustments to reconcile operating income to net cash provided (used) by operating activities</b>	
Depreciation expense	39,629
Revenue reduced for uncollectible accounts	1,255,952
(Increase) decrease in net accounts receivable	(3,496,749)
(Increase) decrease in energy settlements receivable	266,328
(Increase) decrease in other receivables	113,739
(Increase) decrease in accrued revenue	(1,955,039)
(Increase) decrease in prepaid expenses	(1,052,005)
(Increase) decrease in current deposits	(10,818,970)
Increase (decrease) in accounts payable	(153,443)
Increase (decrease) in accrued payroll & benefits	124,280
Increase (decrease) in energy settlements payable	134,409
Increase (decrease) in supplier security deposits	585,000
Increase (decrease) in accrued cost of electricity	5,644,829
Increase (decrease) in accrued liabilities	(20,900)
Increase (decrease) taxes and surcharges due to other governments	205,059
<b>Net cash provided (used) by operating activities</b>	<b><u>\$ 43,271,331</u></b>

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

	<b>FYTD</b>	<b>FYTD</b>	<b>Variance</b>		<b>FY 2017-18</b>	<b>% Budget</b>
<b>REVENUES &amp; OTHER SOURCES</b>	<b>Actual</b>	<b>Amended Budget</b>	<b>\$</b>	<b>%</b>	<b>Amended Budget</b>	<b>Spent</b>
Energy Sales	\$ 249,204,377	\$ 253,508,101	\$ (4,303,724)	-2%	\$ 253,508,101	
Green Prime Premium	730,235	609,889	120,346	20%	609,889	
Other Income	13,500	50,750	(37,250)	-73%	50,750	
Investment Income	153,840	100,000	53,840	0%	100,000	
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b><u>250,101,952</u></b>	<b><u>254,268,741</u></b>	<b><u>(4,166,789)</u></b>	<b><u>-2%</u></b>	<b><u>254,268,741</u></b>	
<b>EXPENDITURES &amp; OTHER USES</b>						
<b>CURRENT EXPENDITURES</b>						
Power Supply	187,489,634	182,561,000	(4,928,634)	-3%	182,561,000	103%
Data Management	3,431,478	3,276,512	(154,966)	-5%	3,276,512	105%
PG&E Fees	1,161,129	886,912	(274,217)	-31%	886,912	131%
Salaries & Benefits	2,644,652	3,555,301	910,649	26%	3,555,301	74%
Professional Services	1,134,039	1,325,000	190,961	14%	1,325,000	86%
Marketing & Promotions	381,439	550,000	168,561	31%	550,000	69%
Notifications	236,077	125,000	(111,077)	-89%	125,000	189%
Lease	320,100	334,650	14,550	4%	334,650	96%
General & Administrative	611,379	597,900	(13,479)	-2%	597,900	102%
<b>TOTAL CURRENT EXPENDITURES</b>	<b><u>197,409,927</u></b>	<b><u>193,212,276</u></b>	<b><u>(4,197,651)</u></b>	<b><u>-2%</u></b>	<b><u>193,212,276</u></b>	<b><u>102%</u></b>
<b>OTHER USES</b>						
Customer Programs	99,344	5,070,000	4,970,656	0%	5,070,000	2%
Office Equipment	49,921	50,000	79	0%	50,000	100%
<b>TOTAL OTHER USES</b>	<b><u>149,265</u></b>	<b><u>5,120,000</u></b>	<b><u>4,970,735</u></b>	<b><u>97%</u></b>	<b><u>5,120,000</u></b>	<b><u>3%</u></b>
<b>DEBT SERVICE</b>						
Interest	15,666	15,666	-	0%	15,666	100%
Principal	5,630,000	5,630,000	-	0%	5,630,000	100%
<b>TOTAL DEBT SERVICE</b>	<b><u>5,645,666</u></b>	<b><u>5,645,666</u></b>	<b><u>-</u></b>	<b><u>0%</u></b>	<b><u>5,645,666</u></b>	<b><u>100%</u></b>
<b>Total Expenditures, Other Uses &amp; Debt Service</b>	<b><u>203,204,858</u></b>	<b><u>203,977,942</u></b>	<b><u>773,084</u></b>	<b><u>0%</u></b>	<b><u>203,977,942</u></b>	<b><u>100%</u></b>
<b>Net Increase(Decrease) in Available Fund Balance</b>	<b><u>\$ 46,897,094</u></b>	<b><u>\$ 50,290,799</u></b>	<b><u>\$ (3,393,705)</u></b>	<b><u>-7%</u></b>	<b><u>\$ 50,290,799</u></b>	



**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	\$ 46,897,094
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position	
Subtract depreciation expense	(39,629)
Add back capital asset acquisitions	49,921
Add back principal payments on debt	<u>5,630,000</u>
<b>Change in Net Position</b>	<b><u>52,537,386</u></b>

**SILICON VALLEY CLEAN ENERGY AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**October 1, 2017 through September 30, 2018**

	October	November	December	January	February	March	April	May	June	July	August	September	YTD
<b>OPERATING REVENUES</b>													
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	\$ 29,536,445	\$ 28,355,143	\$ 26,049,939	\$ 249,204,377
Green electricity premium	32,946	63,341	61,848	62,605	57,222	64,918	60,208	63,856	67,274	65,612	65,337	65,068	730,235
Other income	-	-	24,450	6,300	-	34,560	22,750	28,000	49,000	(151,560)	-	-	13,500
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	29,450,497	28,420,480	26,115,007	249,948,112
<b>OPERATING EXPENSES</b>													
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	23,162,721	18,834,278	19,575,028	187,489,634
Staff compensation and benefits	196,743	168,026	197,149	161,974	209,855	228,403	200,838	242,800	264,448	220,741	259,054	294,621	2,644,652
Data manager	276,838	277,564	277,114	281,602	275,000	287,603	281,378	269,300	300,547	301,380	301,727	301,425	3,431,478
Service fees - PG&E	920	200,000	104,290	120,027	101,645	81,816	84,000	88,886	84,000	96,650	99,412	99,483	1,161,129
Consultants and other professional fees	78,816	90,373	106,105	141,733	1,900	159,302	334,755	196,776	202,407	224,582	137,431	176,719	1,850,899
General and administration	55,285	66,571	110,236	62,956	59,744	168,407	74,931	54,233	50,432	72,684	78,657	77,343	931,479
Depreciation	2,762	2,762	3,001	3,059	3,058	3,153	3,299	3,364	3,420	3,621	4,011	4,119	39,629
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	24,082,379	19,714,570	20,528,738	197,548,900
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	5,368,118	8,705,910	5,586,269	52,399,212
<b>NONOPERATING REVENUES (EXPENSES)</b>													
Interest income	-	-	-	-	-	3,452	20,727	22,840	23,960	26,500	27,924	28,437	153,840
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	26,500	27,924	28,437	138,174
<b>CHANGE IN NET POSITION</b>	<b>\$ 6,741,558</b>	<b>\$ 1,817,627</b>	<b>\$ 578,070</b>	<b>\$ 2,847,496</b>	<b>\$ 94,308</b>	<b>\$ (415,709)</b>	<b>\$ 1,154,589</b>	<b>\$ 8,908,187</b>	<b>\$ 11,068,102</b>	<b>\$ 5,394,618</b>	<b>\$ 8,733,834</b>	<b>\$ 5,614,706</b>	<b>\$ 52,537,386</b>

## PERSONNEL REPORT FOR SEPTEMBER 2018

HEADCOUNT						
<u>Position</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Account Representative I	1	1	0			
Account Representative II	1	1	0			
Account Services Manager	1	1	0			
Administrative Analyst	1	1	0			
Administrative Assistant	1	0	1			
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	0	1			
Power Settlements & Compliance Analyst	1	1	0			
Senior Regulatory Analyst	<u>1</u>	<u>1</u>	<u>0</u>			
<b>Total*</b>	<b><u>19</u></b>	<b><u>16</u></b>	<b><u>3</u></b>			

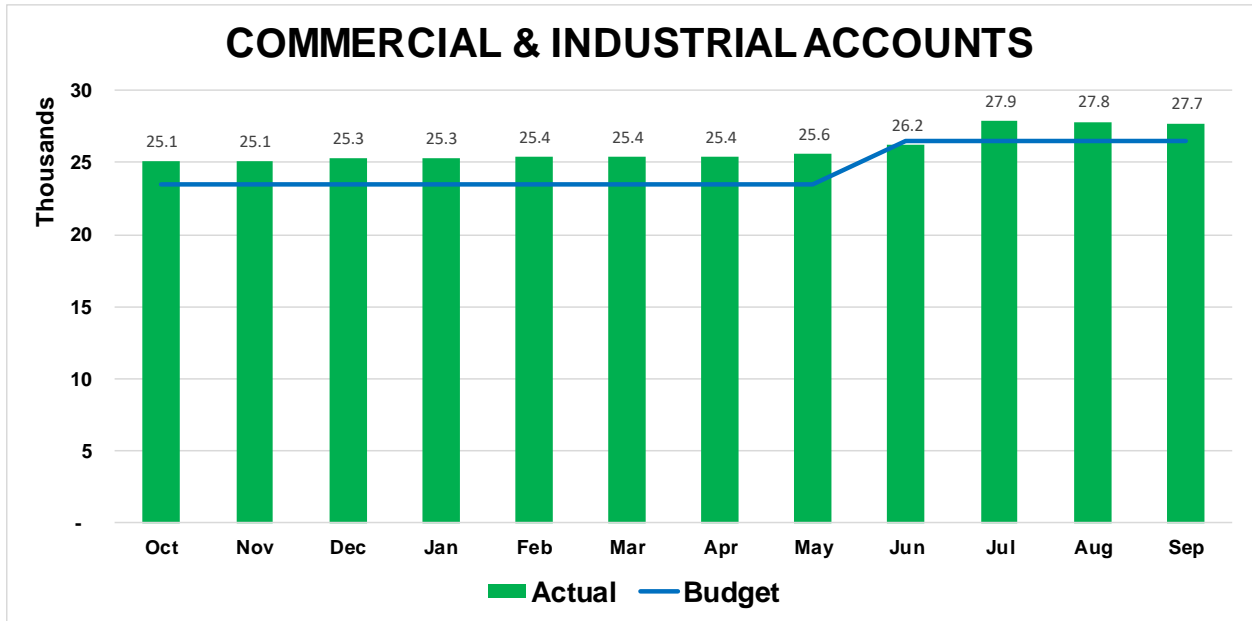
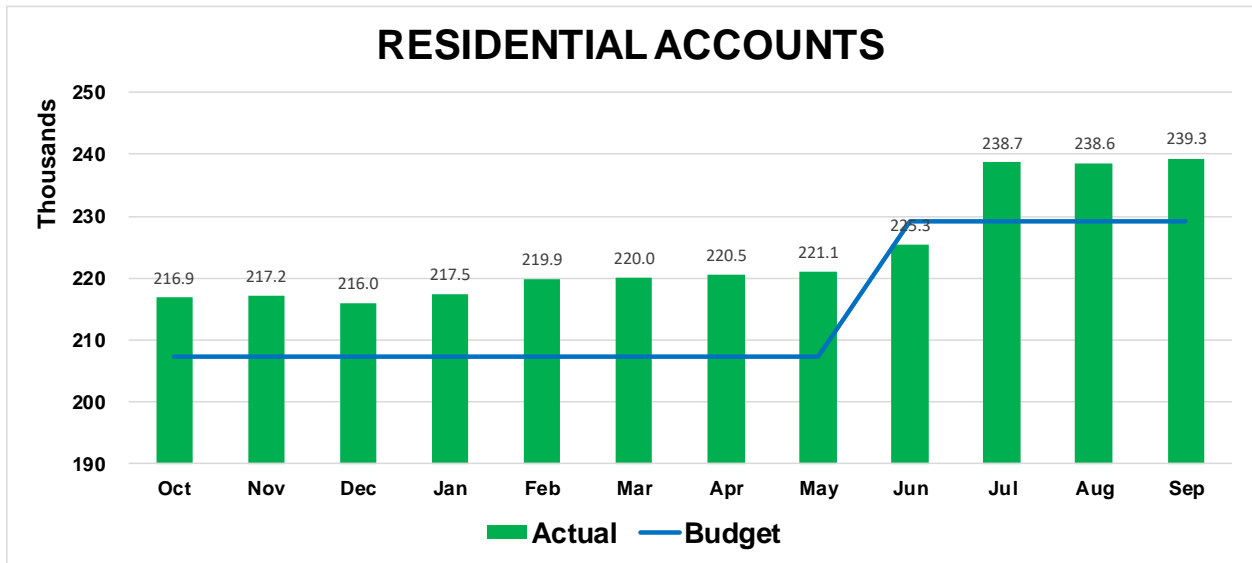
\*Note: There are 21 total positions approved. 2 positions await job descriptions.

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

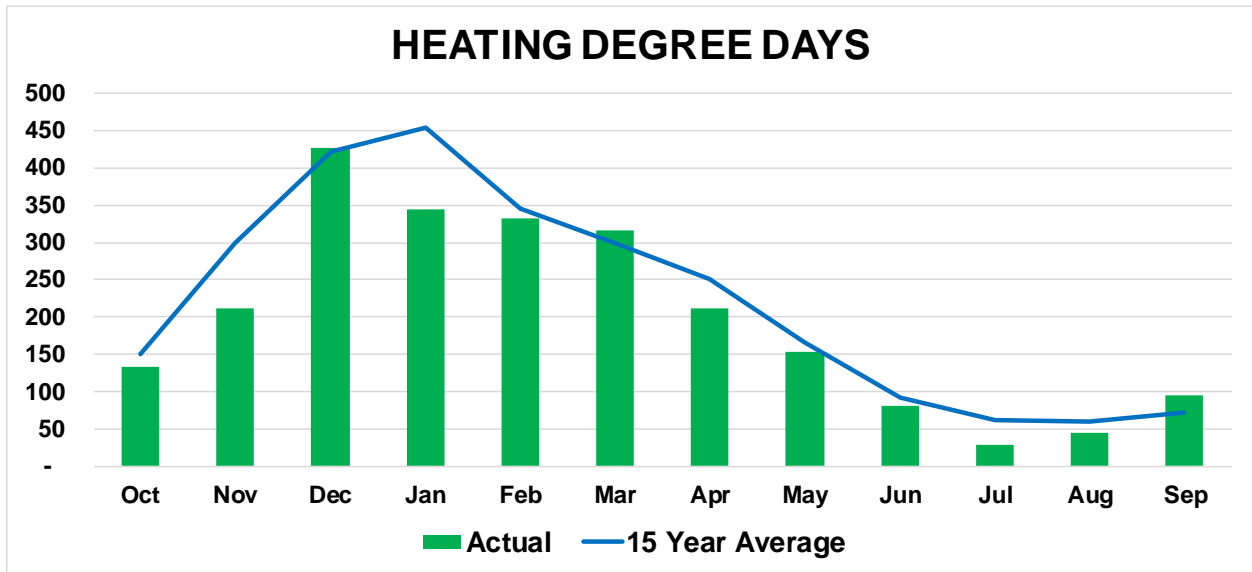
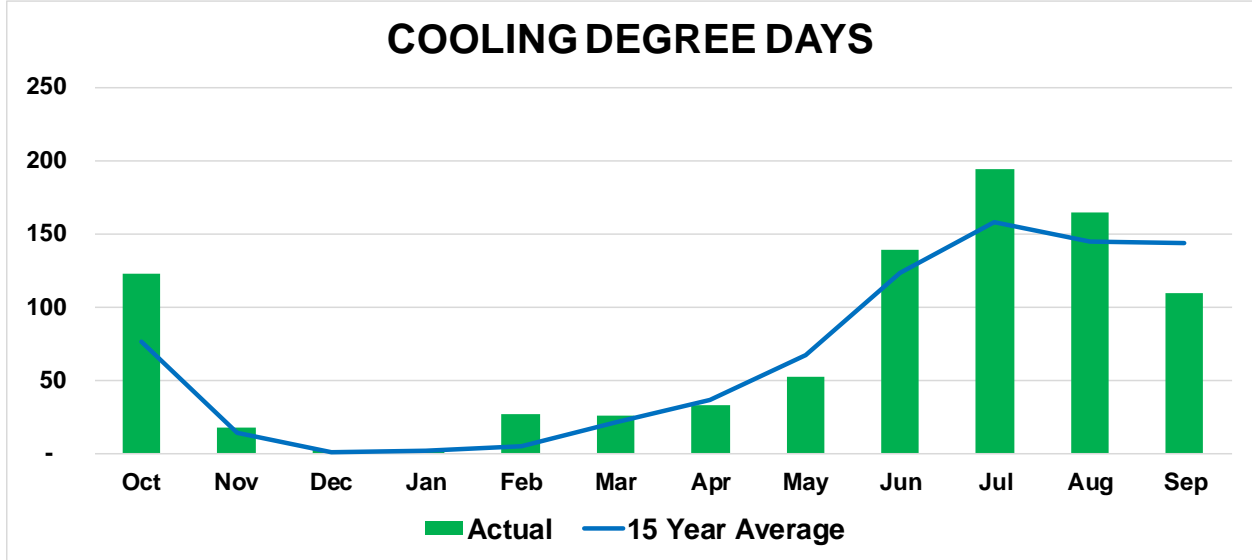
Return on Investments	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	YTD <u>Total</u>
<i>Money Market</i>	\$0	\$0	\$0	\$0	\$0	\$3,452	\$20,727	\$22,840	\$23,960	\$26,500	\$27,924	\$28,437	<u>\$153,840</u>
<hr/>													
<b>Portfolio Invested</b>													
<i>Average daily portfolio available to invest*</i>						\$36,750,070	37,850,501	34,800,713	32,162,513	31,511,318	28,254,100	40,813,113	
<i>Average daily portfolio invested</i>						\$20,003,452	20,004,143	20,024,915	20,048,616	20,071,834	20,098,379	20,128,246	
<i>% of average daily portfolio invested</i>						54.4%	52.9%	57.5%	62.3%	63.7%	71.1%	49.3%	
<hr/>													
<b>Detail of Portfolio</b>													
	<u>Opening Rate %</u>		<u>Current Rate %</u>			<u>Carrying Value</u>							
<i>Money Market - River City Bank</i>	1.26%		1.41%			\$20,153,840							

\* Note: Balance available to invest does not funds in the lockbox or deposits for power supply.

# 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*
<b>Accounts Receivable</b>	<b>\$25,389,161</b>	\$23,469,253	\$991,614	\$281,379	\$165,319	\$481,597
<b>Period %</b>	<b>100%</b>	92.4%	3.9%	1.1%	0.7%	1.9%

\*Note: A portion of accounts that are 120 days old have been sent back to PG&E, however the receivable remains outstanding until PG&E writes the account off.