



TREASURER REPORT

**Fiscal Year to Date
As of August 31, 2018**

(Preliminary & Unaudited)

Issue Date: October 24, 2018

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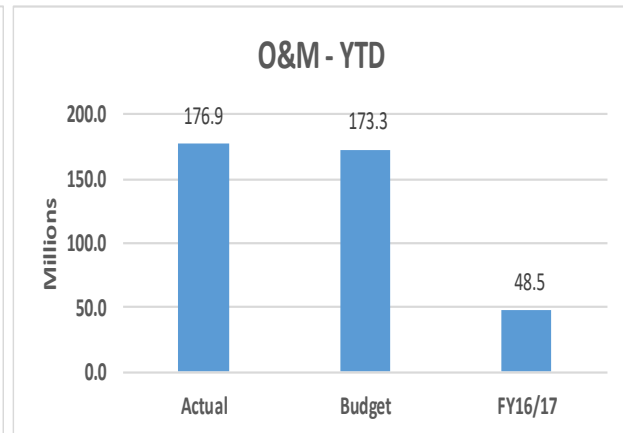
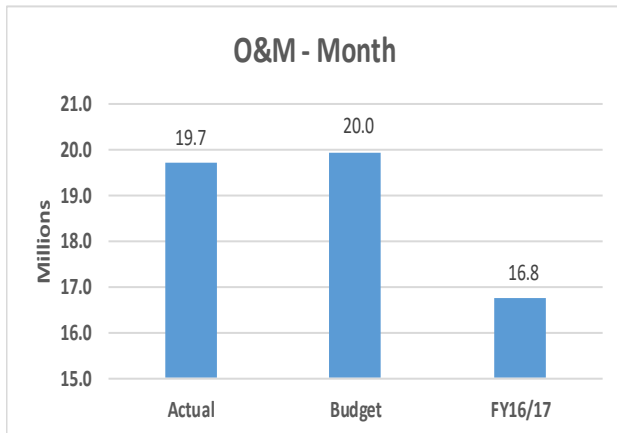
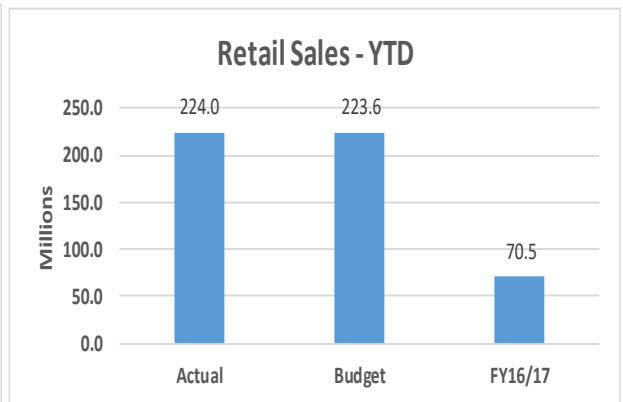
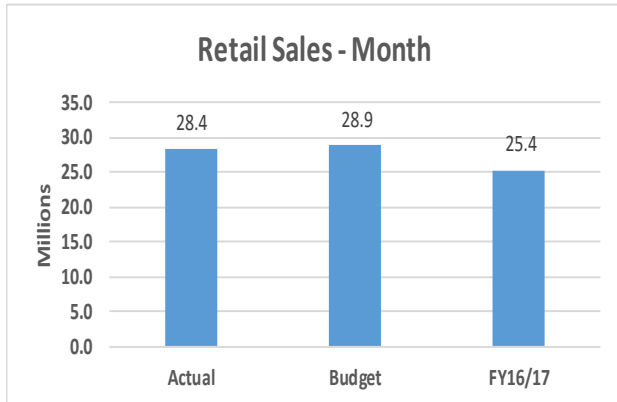
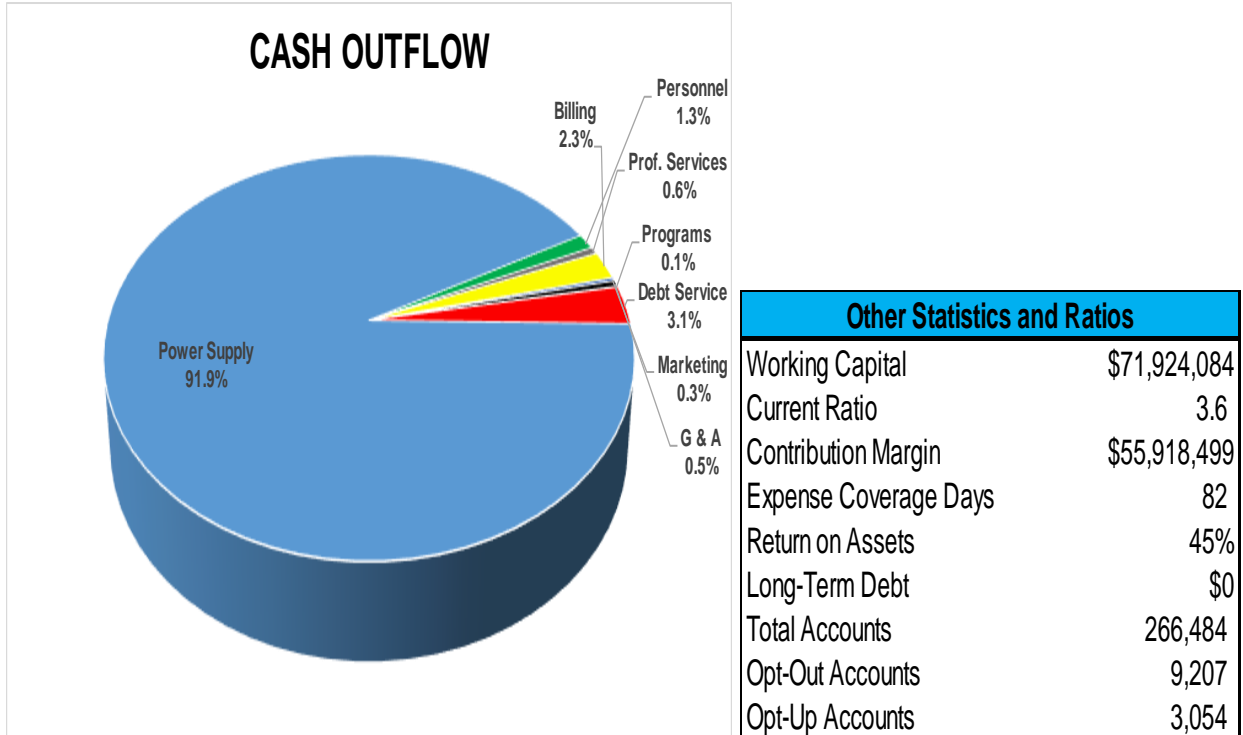
SILICON VALLEY CLEAN ENERGY AUTHORITY
Financial Statement Highlights (\$ in 000's)

Financial Highlights for the month of August 2018:

Results for the month were almost exactly on target. As of the end of August, SVCE has >80 days of cash-on-hand and a healthy current ratio of 3.6.

- > SVCE operations resulted in positive change in net position for the month of \$8.7 million and year-to-date positive change in net position of \$46.9 million.
 - o August's revenue of 28.4 million accounted for 343 GWh in net retail consumption.
 - o Operating margins were much closer to plan for the month but the year-to-date margins are still short of target due to July power supply expenses.
 - o Year-to-date net increase in fund balance is 3% above budget.
- > Retail GWh sales were right on target for the month and within 1% year-to-date.
 - o August weather was expected.
 - 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.
 - o Due to high power supply pricing in July, SVCE hedged any remaining open positions for 1/2 of August and all of September.
 - o SVCE ends the month with a significant deposit with CAISO. Most of the deposit will be returned upon the conclusion of summer.
 - o Negotiations continue with the remaining two long-term power supply contracts that feature 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		46,923	55,885
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		144,399	
Capacity	275	743	657	724	742	643	714	800	1,421	2,423	2,379		11,521	
CAISO Charges	1,034	534	2,813	882	1,292	453	325	297	283	2,564	2,264		12,741	
NEM Expense	44	(19)	(47)	(63)	(4)	26	38	265	413	405	272		1,330	
Charge/Credit (IST/Net Rev)	591	(1,127)	(1,828)	(2,934)	(2,789)	285	(943)	(1,528)	719	5,084	2,394		(2,076)	
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	-	167,915	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		46	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		3,207	
Retail Sales Budget	285	266	295	278	269	256	261	266	315	346	342		3,179	3,543



SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of August 31, 2018

ASSETS

Current Assets

Cash & Cash Equivalents	\$ 44,330,818
Accounts Receivable, net of allowance	23,549,617
Accrued Revenue	15,840,385
Other Receivables	257,600
Prepaid Expenses	2,308,668
Deposits	11,055,770
Restricted cash - lockbox	2,500,000

Total Current Assets **99,842,858**

Noncurrent assets

Capital assets, net of depreciation	184,533
Deposits	3,129,560

Total Noncurrent Assets **3,314,093**

Total Assets **103,156,951**

LIABILITIES

Current Liabilities

Accounts Payable	759,285
Accrued Cost of Electricity	25,251,066
Accrued Payroll & Benefits	270,531
Other Accrued Liabilities	24,091
User Taxes and Energy Surcharges due to other gov'ts	1,028,801
Supplier Security Deposits	585,000

Total Current Liabilities **27,918,774**

NET POSITION

Net investment in capital assets	184,533
Unrestricted (deficit)	75,053,644
Total Net Position	\$ 75,238,177

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
October 1, 2017 through August 31, 2018**

OPERATING REVENUES	
Electricity Sales, Net	\$ 223,154,438
GreenPrime electricity premium	665,167
Other income	13,500
TOTAL OPERATING REVENUES	<u>223,833,105</u>
OPERATING EXPENSES	
Cost of Electricity	167,914,606
Staff Compensation and benefits	2,350,031
Data Management	3,130,053
Service Fees - PG&E	1,061,646
Consultants and Other Professional Fees	815,841
Legal	333,970
Communications & Noticing	524,369
General & Administrative	854,136
Depreciation	35,510
TOTAL OPERATING EXPENSES	<u>177,020,162</u>
OPERATING INCOME (LOSS)	<u>46,812,943</u>
NONOPERATING REVENUES (EXPENSES)	
Interest Income	125,403
Interest and related expenses	(15,666)
TOTAL NONOPERATING EXPENSES	<u>109,737</u>
CHANGE IN NET POSITION	46,922,680
Net Position at beginning of period	<u>28,315,497</u>
Net Position at end of period	<u>\$ 75,238,177</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2017 through August 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 220,798,541
Receipts from other income	13,500
Receipts from supplier security deposits	1,185,000
Tax and surcharge receipts from customers	4,712,766
Energy settlements received	7,599,289
Deposits and collateral received	2,200,300
Payments to purchase electricity	(160,358,464)
Payments for staff compensation and benefits	(2,171,856)
Payments for data manager fees	(3,376,109)
Payments for PG&E service fees	(1,061,423)
Payments for consultants and other professional services	(721,584)
Payments for legal fees	(303,259)
Payments for communications and noticing	(529,266)
Payments for general and administrative	(884,115)
Energy settlements paid	(17,850,563)
Payments of deposits and collateral	(13,019,270)
Return of security deposits to suppliers	(600,000)
Tax and surcharge payments to other governments	(4,471,557)
Net cash provided (used) by operating activities	<u>31,161,930</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>(47,220)</u>
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CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Interest income received	<u>125,403</u>
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Net change in cash and cash equivalents	25,587,221
Cash and cash equivalents at beginning of year	21,243,597
Cash and cash equivalents at end of period	<u>\$ 46,830,818</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)

October 1, 2017 through August 31, 2018

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

Operating Income (loss)	\$ 46,812,943
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	35,509
Revenue reduced for uncollectible accounts	1,124,721
(Increase) decrease in net accounts receivable	(3,253,988)
(Increase) decrease in energy settlements receivable	266,328
(Increase) decrease in other receivables	(57,600)
(Increase) decrease in accrued revenue	(864,063)
(Increase) decrease in prepaid expenses	(2,236,826)
(Increase) decrease in current deposits	(10,818,970)
Increase (decrease) in accounts payable	(96,253)
Increase (decrease) in accrued payroll & benefits	185,508
Increase (decrease) in energy settlements payable	50,216
Increase (decrease) in supplier security deposits	585,000
Increase (decrease) in accrued cost of electricity	(787,261)
Increase (decrease) in accrued liabilities	3,191
Increase (decrease) taxes and surcharges due to other governments	213,475
Net cash provided (used) by operating activities	<u>\$ 31,161,930</u>

**SILICON VALLEY CLEAN ENERGY
BUDGETARY COMPARISON SCHEDULE
October 1, 2017 through August 31, 2018**

	FYTD	FYTD	Variance		FY 2017-18	% Budget
REVENUES & OTHER SOURCES	<u>Actual</u>	<u>Amended Budget</u>	<u>\$</u>	<u>%</u>	<u>Amended Budget</u>	<u>Spent</u>
Energy Sales	\$ 223,154,438	\$ 222,866,555	\$ 287,883	0%	\$ 253,508,101	
Green Prime Premium	665,167	558,748	106,419	19%	609,889	
Other Income	13,500	48,250	(34,750)	-72%	50,750	
Investment Income	<u>125,403</u>	<u>83,333</u>	<u>42,070</u>	<u>0%</u>	<u>100,000</u>	
TOTAL REVENUES & OTHER SOURCES	<u>223,958,508</u>	<u>223,556,887</u>	<u>401,621</u>	<u>0%</u>	<u>254,268,741</u>	
EXPENDITURES & OTHER USES						
CURRENT EXPENDITURES						
Power Supply	167,914,606	163,605,236	(4,309,370)	-3%	182,561,000	92%
Data Management	3,130,053	2,995,237	(134,816)	-5%	3,276,512	96%
PG&E Fees	1,061,646	833,214	(228,432)	-27%	886,912	120%
Salaries & Benefits	2,350,031	3,201,375	851,344	27%	3,555,301	66%
Professional Services	1,050,467	1,214,583	164,116	14%	1,325,000	79%
Marketing & Promotions	367,538	504,167	136,629	27%	550,000	67%
Notifications	156,831	122,500	(34,331)	-28%	125,000	125%
Lease	293,587	306,756	13,169	4%	334,650	88%
General & Administrative	<u>560,549</u>	<u>548,075</u>	<u>(12,474)</u>	<u>-2%</u>	<u>597,900</u>	<u>94%</u>
TOTAL CURRENT EXPENDITURES	<u>176,885,308</u>	<u>173,331,144</u>	<u>(3,554,164)</u>	<u>-2%</u>	<u>193,212,276</u>	<u>92%</u>
OTHER USES						
Customer Programs	99,344	4,437,980	4,338,636	0%	5,070,000	2%
Office Equipment	<u>46,015</u>	<u>45,083</u>	<u>(932)</u>	<u>-2%</u>	<u>50,000</u>	<u>92%</u>
TOTAL OTHER USES	<u>145,359</u>	<u>4,483,063</u>	<u>4,337,704</u>	<u>97%</u>	<u>5,120,000</u>	<u>3%</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>182,676,333</u>	<u>183,459,873</u>	<u>783,540</u>	<u>0%</u>	<u>203,977,942</u>	<u>90%</u>
Net Increase(Decrease) in Available Fund Balance	<u>\$ 41,282,175</u>	<u>\$ 40,097,015</u>	<u>\$ 1,185,160</u>	<u>3%</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	\$ 41,282,175
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position	
Subtract depreciation expense	(35,510)
Add back capital asset acquisitions	46,015
Add back principal payments on debt	<u>5,630,000</u>
Change in Net Position	<u><u>46,922,680</u></u>

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
October 1, 2017 through August 31, 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	\$ 29,536,445	\$ 28,355,143	\$ -	\$ 223,154,438
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	-	665,167
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	-	223,833,105
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	23,162,721	18,834,278	-	167,914,606
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	-	2,350,031
Data manager	276,838	277,564	277,114	281,602	275,000	287,603	281,378	269,300	300,547	301,380	301,727	-	3,130,053
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	-	1,061,646
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	-	1,674,180
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	-	854,136
Depreciation	2,762	2,762	3,001	3,059	3,058	3,153	3,299	3,364	3,420	3,621	4,011	-	35,510
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	-	177,020,162
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	-	46,812,943
NONOPERATING REVENUES (EXPENSES)													
Interest income	-	-	-	-	-	3,452	20,727	22,840	23,960	26,500	27,924	-	125,403
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	-	109,737
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	\$ 5,394,618	\$ 8,733,834	\$ -	\$ 46,922,680

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	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>0</u>	<u>1</u>	
Total*	<u>19</u>	<u>15</u>	<u>4</u>	

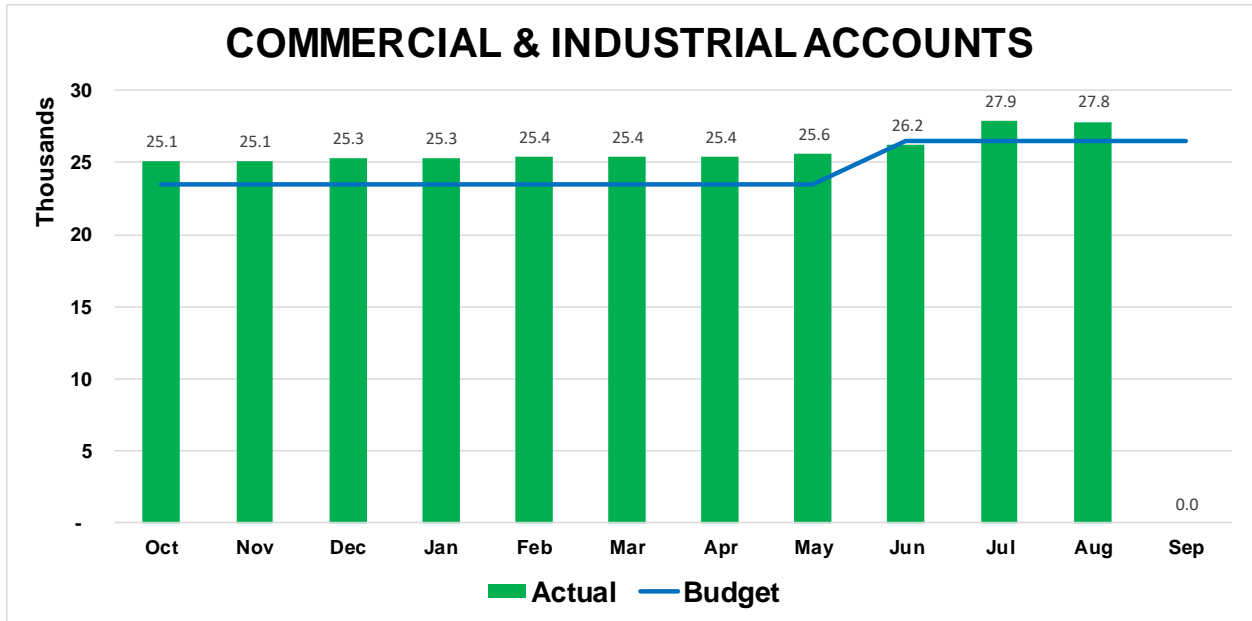
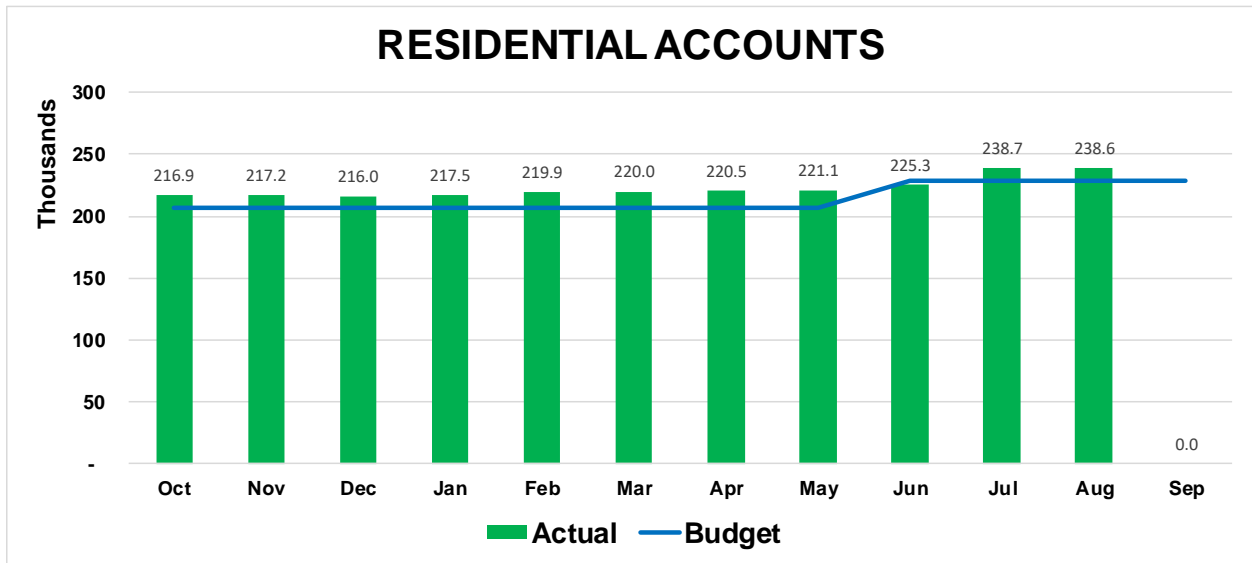
*Note: There are 21 total positions approved but 2 positions are being developed.

SILICON VALLEY CLEAN ENERGY AUTHORITY
INVESTMENTS SUMMARY
October 1, 2017 through August 31, 2018

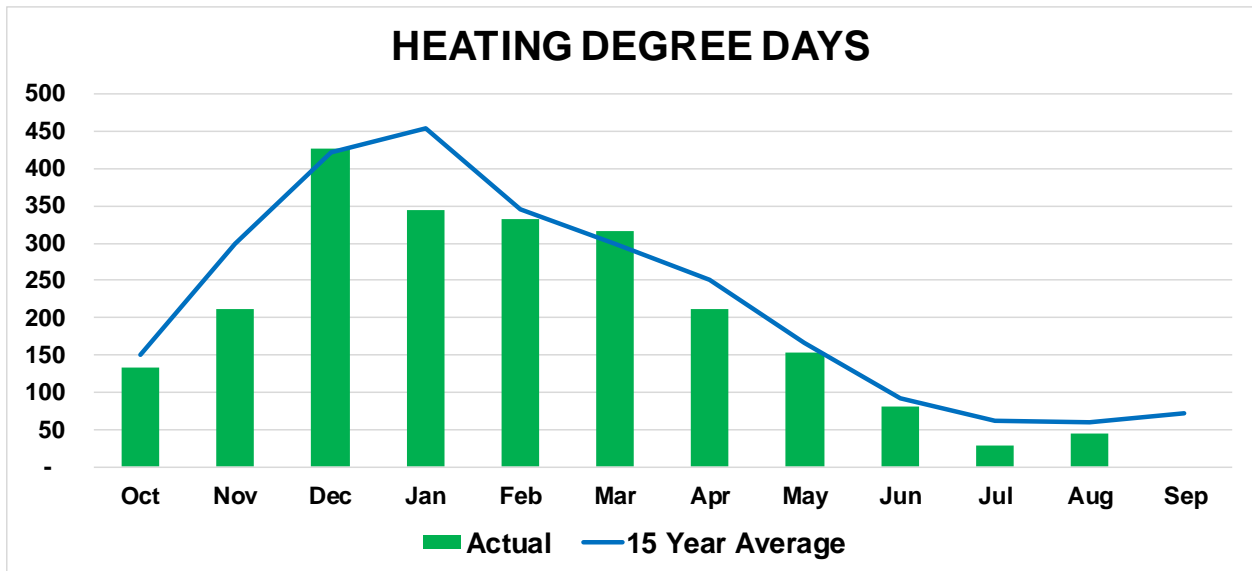
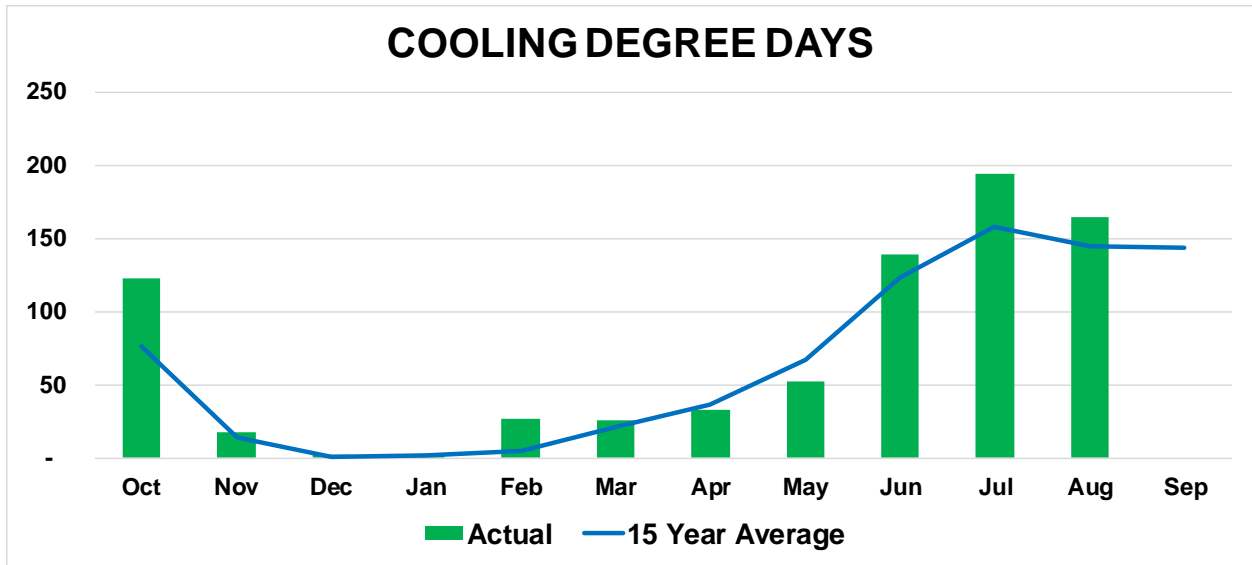
Return on Investments	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	YTD <u>Total</u>
<i>Money Market</i>	\$0	\$0	\$0	\$0	\$0	\$3,452	\$20,727	\$22,840	\$23,960	\$26,500	\$27,924	\$0	<u>\$125,403</u>
<hr/>													
Portfolio Invested													
<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		
<i>Average daily portfolio invested</i>						\$20,003,452	20,004,143	20,024,915	20,048,616	20,071,834	20,098,379		
<i>% of average daily portfolio invested</i>						54.4%	52.9%	57.5%	62.3%	63.7%	71.1%		
<hr/>													
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%			\$20,125,403						

* Note: Balance available to invest does not include 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*
Accounts Receivable	\$25,149,487	\$23,716,046	\$573,504	\$240,777	\$141,784	\$477,376
Period %	100%	94.3%	2.3%	1.0%	0.6%	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.