



TREASURER REPORT

**Fiscal Year to Date
As of January 31, 2019**

(Preliminary & Unaudited)

Issue Date: March 13, 2019

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SILICON VALLEY CLEAN ENERGY AUTHORITY

Financial Statement Highlights (\$ in 000's)

Financial Highlights for the month of January 2019:

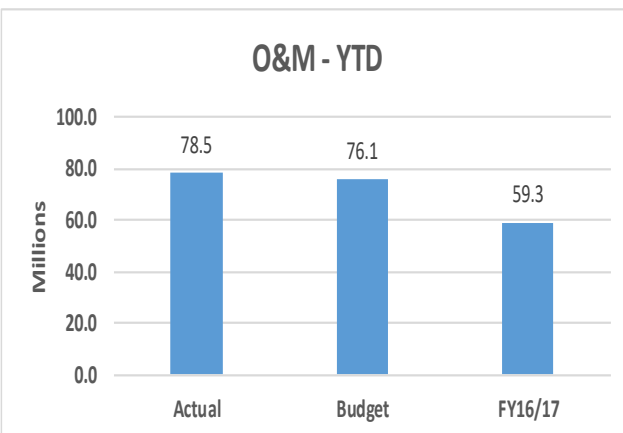
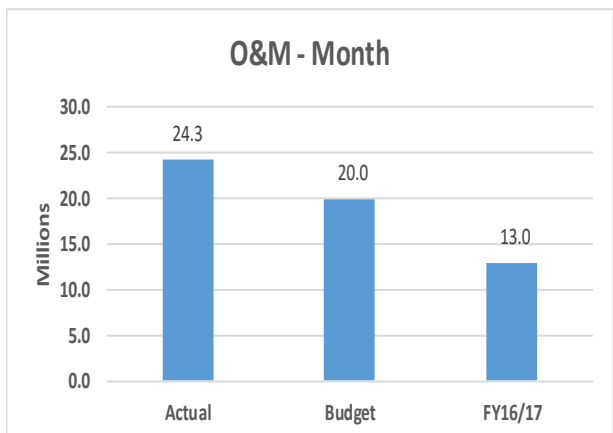
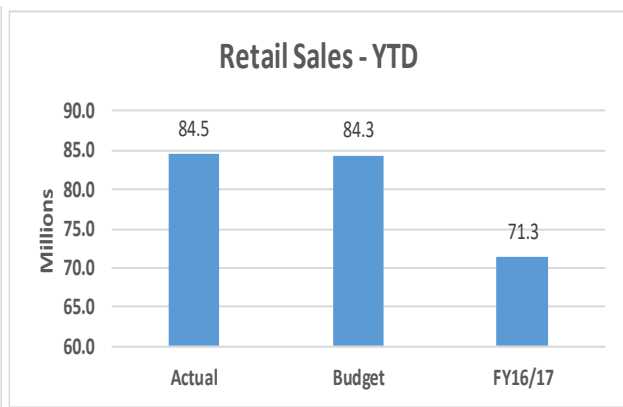
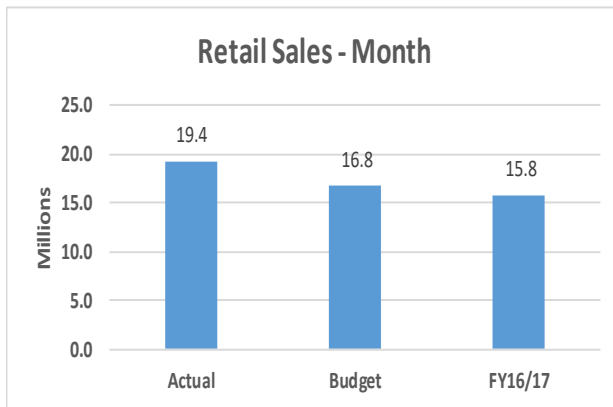
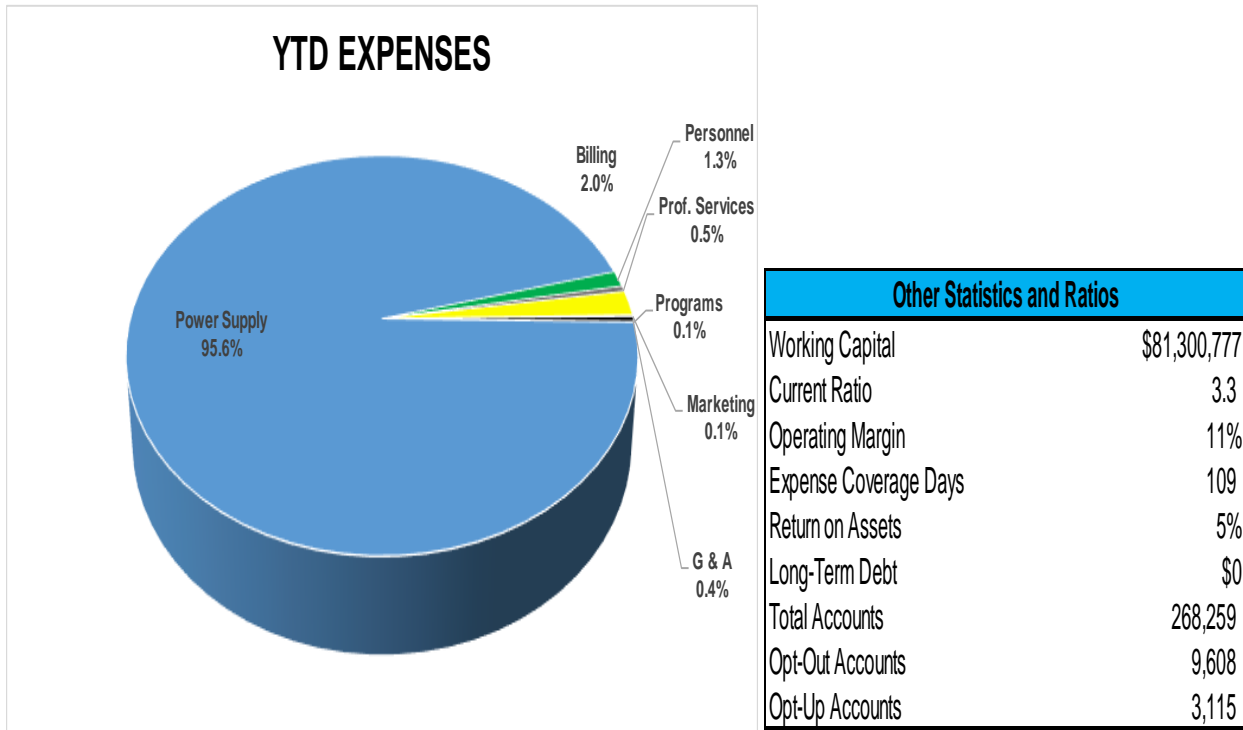
Note: Retail revenues are better than budget due to the budget assuming revenue reducing rate changes would occur in January 2019. Rate changes are not expected until June 2019.

The Mid-Year Budget process will reflect updated revenues and power supply cost and presented to the Board in March 2019.

PG&E declared bankruptcy in late January 2019. SVCE expects no impact in the short-term as daily customer receipts are being received.

- > SVCE operations resulted in a negative change in net position for the month of (\$4.9) million and year-to-date change in net position of \$6.2 million.
 - o January revenue of \$19.4 million accounted for 336 GWh in net retail consumption.
 - o Year-to-date operating margin is \$9.4 million with year-to-date performance \$4.9 million below budget.
 - o SVCE is above the minimum cash reserve target and stable liquidity.
- > Retail GWh sales for the month came 2 GWh above budget for the month and 1% below budget year-to-date.
 - o Overall, weather year-to-date has been near the 15 year average but January was warmer than usual.
- > Power Supply
 - o Year-to-date power supply is 7% above budget.
 - o January resulted in large REC purchases which reduced margin.
 - o Staff presented an update to the Risk Management Policy at the January Board of Directors meeting. Staff is developing risk management guidelines.
- > Programs/Capital
 - o The Programs Roadmap was approved by the Board of Directors in December 2018.
 - o EV Charging Station program was presented at the February 2019 Board of Directors meeting.
- > Investing/Financing
 - o SVCE amended its credit agreement with River City Bank to expand the line of credit to \$35 million.
 - o SVCE increased its investment balances.

Change in Net Position	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Actual	8,092	953	1,947	(4,819)	-	-	-	-	-	-	-	-	6,173	29,541
Power Supply Costs	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Energy & REC's	14,735	13,930	12,890	18,262									59,816	
Capacity	985	912	1,082	1,554									4,533	
CAISO Charges	798	1,043	438	1,768									4,047	
NEM Expense	74	(82)	(242)	(214)									(464)	
Charge/Credit (IST/Net Rev)	569	1,089	3,383	2,064									7,105	
Net Power Costs	17,161	16,892	17,551	23,434	-	-	-	-	-	-	-	-	75,038	211,815
Other	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Capital Expenditures	2	-	6	1									9	150
Energy Programs	37	3	-	1									41	5,177
Load Statistics - GWh	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Retail Sales Actual	323	318	354	336									1,331	
Retail Sales Budget	335	335	339	334									1,343	3,974



SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of January 31, 2019

ASSETS

Current Assets

Cash & Cash Equivalents	\$ 73,776,488
Accounts Receivable, net of allowance	19,733,449
Accrued Revenue	12,019,983
Other Receivables	202,377
Prepaid Expenses	1,258,318
Deposits	6,142,300
Restricted cash - lockbox	4,000,000

Total Current Assets 117,132,915

Noncurrent assets

Capital assets, net of depreciation	177,078
Deposits	3,129,560

Total Noncurrent Assets 3,306,638

Total Assets 120,439,553

LIABILITIES

Current Liabilities

Accounts Payable	448,343
Accrued Cost of Electricity	33,357,325
Accrued Payroll & Benefits	272,186
Other accrued liabilities	457,112
User Taxes and Energy Surcharges due to other gov'ts	683,852
Supplier Security Deposits	613,320

Total Current Liabilities 35,832,138

NET POSITION

Net investment in capital assets	177,078
Restricted for security collateral	4,000,000
Unrestricted (deficit)	80,430,337
Total Net Position	<u><u>\$ 84,607,415</u></u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

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

October 1, 2018 through January 31, 2019

OPERATING REVENUES

Electricity Sales, Net	\$ 84,177,395
GreenPrime electricity premium	283,955
TOTAL OPERATING REVENUES	<u>84,461,350</u>

OPERATING EXPENSES

Cost of Electricity	75,038,044
Staff Compensation and benefits	1,028,054
Data Management	1,204,920
Service Fees - PG&E	376,656
Consultants and Other Professional Fees	335,190
Legal	71,372
Communications & Noticing	92,306
General & Administrative	317,708
Depreciation	<u>17,086</u>
TOTAL OPERATING EXPENSES	<u>78,481,336</u>
OPERATING INCOME(LOSS)	<u>5,980,014</u>

NONOPERATING REVENUES (EXPENSES)

Interest Income	248,537
Financing costs	<u>(55,856)</u>
TOTAL NONOPERATING EXPENSES	<u>192,681</u>

CHANGE IN NET POSITION

	6,172,695
Net Position at beginning of period	<u>78,434,720</u>
Net Position at end of period	<u>\$ 84,607,415</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2018 through January 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 93,243,322
Receipts from wholesale sales	362,740
Supplier security deposits	28,320
Tax and surcharge receipts from customers	1,805,182
Energy settlements received	223,732
Deposits and collateral received	4,913,970
Payments to purchase electricity	(76,306,873)
Payments for staff compensation and benefits	(1,023,574)
Payments for data manager fees	(1,204,960)
Payments for PG&E service fees	(282,410)
Payments for consultants and other professional services	(364,567)
Payments for legal fees	(124,680)
Payments for communications and noticing	(126,417)
Payments for general and administrative	(428,363)
Payments of deposits and collateral	(500)
Tax and surcharge payments to other governments	(2,084,612)
Net cash provided (used) by operating activities	<u>18,630,310</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Interest and related expense payments	(55,856)
Net cash provided (used) by non-capital financing activities	<u>(55,856)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(9,843)</u>
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CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Interest income received	<u>248,537</u>
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Net change in cash and cash equivalents	18,813,148
Cash and cash equivalents at beginning of year	<u>58,963,340</u>
Cash and cash equivalents at end of period	<u>\$ 77,776,488</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)

October 1, 2018 through January 31, 2019

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

Operating Income (loss)	\$ 5,980,014
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	17,086
Revenue reduced for uncollectible accounts	424,428
(Increase) decrease in net accounts receivable	3,503,269
(Increase) decrease in other receivables	(116,116)
(Increase) decrease in accrued revenue	4,911,378
(Increase) decrease in prepaid expenses	(134,472)
(Increase) decrease in current deposits	4,913,470
Increase (decrease) in accounts payable	(272,195)
Increase (decrease) in accrued payroll & benefits	80,897
Increase (decrease) in energy settlements payable	1,619,178
Increase (decrease) in accrued cost of electricity	(2,445,526)
Increase (decrease) in accrued liabilities	457,112
Increase (decrease) in taxes and surcharges due to other governments	(336,533)
Increase (decrease) in supplier security deposits	28,320
Net cash provided (used) by operating activities	<u>\$ 18,630,310</u>

SILICON VALLEY CLEAN ENERGY
BUDGETARY COMPARISON SCHEDULE
October 1, 2018 through January 31, 2019

	FYTD <u>Actual</u>	FYTD <u>Budget</u>	<u>Variance</u> \$	%	FY 2018-19 <u>Budget</u>	% Budget <u>Spent</u>
REVENUES & OTHER SOURCES						
Energy Sales	\$ 84,177,395	\$ 84,050,361	\$ 127,034	0%	\$ 258,831,695	
Green Prime Premium	283,955	204,564	79,391	39%	613,691	
Other Income	-	33,333	(33,333)	-100%	100,000	
Investment Income	<u>248,537</u>	<u>166,667</u>	<u>81,870</u>	<u>0%</u>	<u>500,000</u>	
TOTAL REVENUES & OTHER SOURCES	<u>84,709,887</u>	<u>84,454,925</u>	<u>254,962</u>	<u>0%</u>	<u>260,045,386</u>	
EXPENDITURES & OTHER USES						
CURRENT EXPENDITURES						
Power Supply	75,038,044	69,978,453	(5,059,591)	-7%	211,815,189	35%
Data Management	1,204,920	1,125,100	(79,820)	-7%	3,375,301	36%
PG&E Fees	376,656	357,987	(18,669)	-5%	1,073,960	35%
Salaries & Benefits	1,028,054	1,611,165	583,111	36%	4,833,494	21%
Professional Services	366,083	610,017	243,934	40%	1,830,051	20%
Marketing & Promotions	76,879	367,500	290,621	79%	1,102,500	7%
Notifications	15,427	51,667	36,240	70%	155,000	10%
Lease	106,062	106,559	497	0%	326,040	33%
General & Administrative	<u>211,646</u>	<u>212,053</u>	<u>407</u>	<u>0%</u>	<u>636,160</u>	<u>33%</u>
TOTAL CURRENT EXPENDITURES	<u>78,423,771</u>	<u>74,420,501</u>	<u>(4,003,270)</u>	<u>-5%</u>	<u>225,147,694</u>	<u>35%</u>
OTHER USES						
Customer Programs	40,479	1,681,007	1,640,528	0%	5,176,634	1%
Office Equipment	9,844	50,000	40,156	80%	150,000	7%
Financial Security Requirement	-	147,000	147,000	100%	147,000	
Refund of Bond	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>100%</u>	<u>(100,000)</u>	
TOTAL OTHER USES	<u>50,323</u>	<u>1,778,007</u>	<u>1,727,684</u>	<u>97%</u>	<u>5,373,634</u>	<u>1%</u>
DEBT SERVICE						
Financing	55,856	-	(55,856)		30,000	186%
TOTAL DEBT SERVICE	<u>55,856</u>	<u>-</u>	<u>(55,856)</u>		<u>30,000</u>	<u>186%</u>
Total Expenditures, Other Uses & Debt Service	<u>78,529,950</u>	<u>76,198,508</u>	<u>(2,331,442)</u>	<u>-3%</u>	<u>230,551,328</u>	<u>34%</u>
Net Increase(Decrease) in Available Fund Balance	<u>\$ 6,179,937</u>	<u>\$ 8,256,417</u>	<u>\$ (2,076,480)</u>	<u>-25%</u>	<u>\$ 29,494,058</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	\$ 6,179,937
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position	
Subtract depreciation expense	(17,086)
Add back capital asset acquisitions	<u>9,844</u>
Change in Net Position	<u><u>6,172,695</u></u>

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**
October 1, 2018 through January 1, 2019

	October	November	December	January	February	March	April	May	June	July	August	September	YTD
OPERATING REVENUES													
Electricity sales, net	\$ 26,013,308	\$ 18,589,640	\$ 20,295,540	\$ 19,278,907									\$ 84,177,395
Green electricity premium	76,005	66,459	67,567	73,924									283,955
Other income	-	-	-	-									-
Total operating revenues	<u>26,089,313</u>	<u>18,656,099</u>	<u>20,363,107</u>	<u>19,352,831</u>	-	-	-	-	-	-	-	-	<u>84,461,350</u>
OPERATING EXPENSES													
Cost of electricity	17,160,575	16,892,744	17,551,069	23,433,656									75,038,044
Staff compensation and benefits	236,907	256,926	264,613	269,608									1,028,054
Data manager	301,479	300,856	301,200	301,385									1,204,920
Service fees - PG&E	94,279	94,000	94,377	94,000									376,656
Consultants and other professional fees	130,737	114,869	129,909	123,353									498,868
General and administration	99,316	70,743	74,028	73,621									317,708
Depreciation	4,179	4,179	4,335	4,393									17,086
Total operating expenses	<u>18,027,472</u>	<u>17,734,317</u>	<u>18,419,531</u>	<u>24,300,016</u>	-	-	-	-	-	-	-	-	<u>78,481,336</u>
Operating income (loss)	<u>8,061,841</u>	<u>921,782</u>	<u>1,943,576</u>	<u>(4,947,185)</u>	-	-	-	-	-	-	-	-	<u>5,980,014</u>
NONOPERATING REVENUES (EXPENSES)													
Interest income	30,474	30,758	58,997	128,308									248,537
Interest and related expense	-	-	(55,856)	-									(55,856)
Total nonoperating revenues (expenses)	<u>30,474</u>	<u>30,758</u>	<u>3,141</u>	<u>128,308</u>	-	-	-	-	-	-	-	-	<u>192,681</u>
CHANGE IN NET POSITION	<u>\$ 8,092,315</u>	<u>\$ 952,540</u>	<u>\$ 1,946,717</u>	<u>\$ (4,818,877)</u>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	<u>\$ 6,172,695</u>

PERSONNEL REPORT FOR JANUARY 2019

HEADCOUNT				
Position	Budget	Actual	Variance	
Director of Account Services and Community Relations	1	1	0	
Account Services Manager	1	1	0	
Energy Consultant	2	1	1	
Energy Associate	2	0	2	
Communications Manager	1	1	0	
Community Outreach Specialist	1	1	0	
Communications Specialist	1	1	0	
Board Clerk/Executive Assistant	1	1	0	
Chief Executive Officer	1	1	0	
Director of Finance and Administration	1	1	0	
Administrative Services Manager	1	0	1	
Management Analyst	1	1	0	
Administrative Analyst	1	1	0	
Administrative Assistant	1	0	1	
Director of Power Resources	1	1	0	
Power Resources Manager	1	0	1	
Power Resources Planner	1	1	0	
Power Settlements & Compliance Analyst	1	1	0	
Manager of Regulatory and Legislative Affairs	1	1	0	
Senior Regulatory Analyst	1	1	0	
Director of Decarboniation and Grid Innovation	1	1	0	
Data Analyst	1	0	1	
Analyst	<u>1</u>	<u>1</u>	<u>0</u>	
Total*	<u>25</u>	<u>18</u>	<u>7</u>	

**SILICON VALLEY CLEAN ENERGY AUTHORITY
INVESTMENTS SUMMARY
October 1, 2018 through January 31, 2019**

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>	\$30,474	\$30,758	\$58,997	\$128,308	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<u>\$248,537</u>

Portfolio Invested

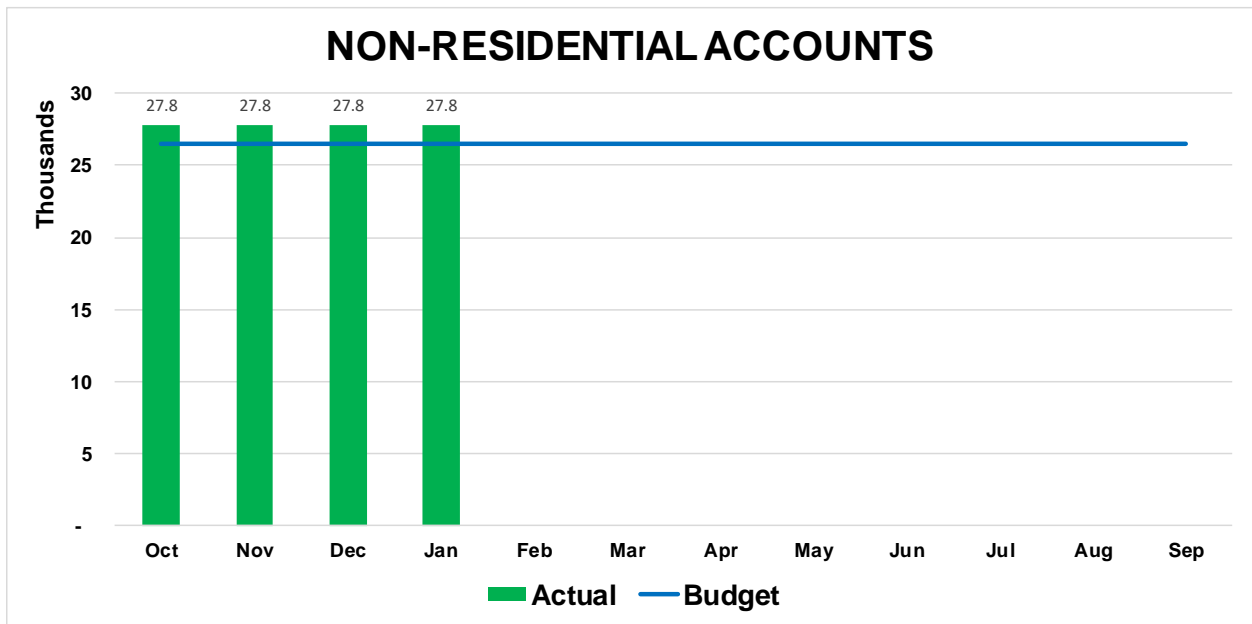
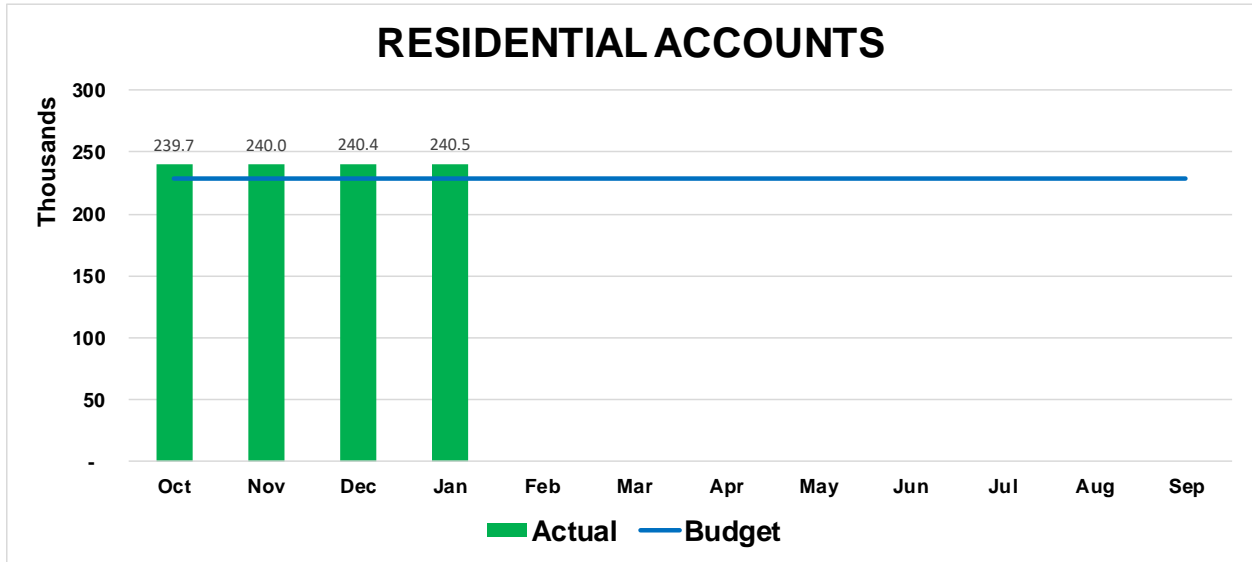
<i>Average daily portfolio available to invest*</i>	55,148,395	63,583,109	62,254,625	69,135,839
<i>Average daily portfolio invested</i>	20,154,823	20,185,339	35,700,846	60,277,386
<i>% of average daily portfolio invested</i>	36.5%	31.7%	57.3%	87.2%

Detail of Portfolio

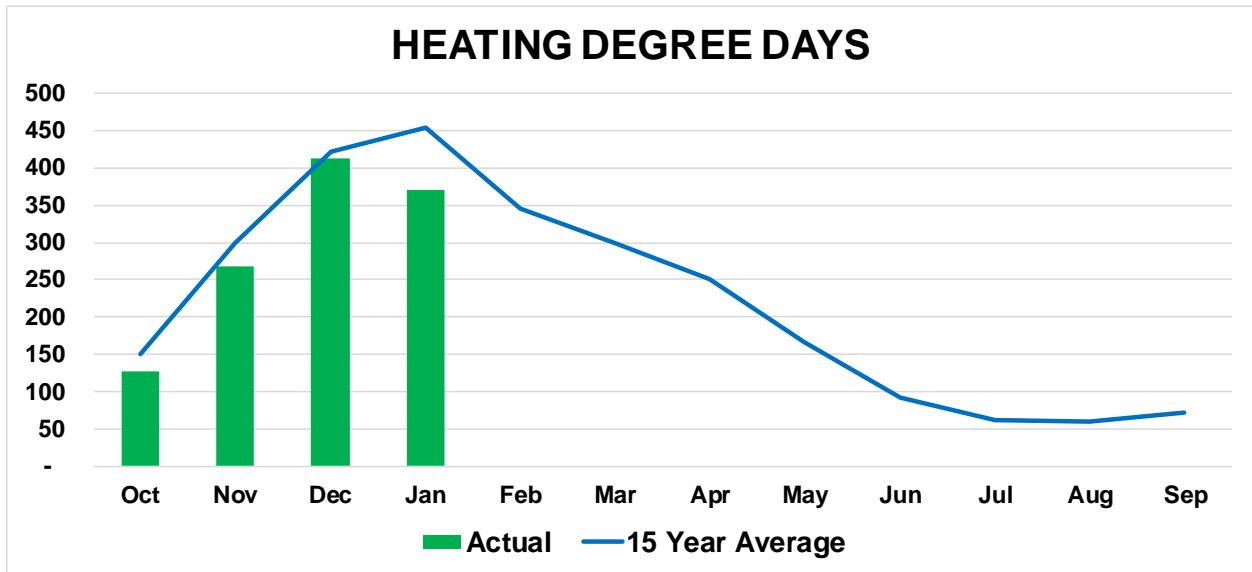
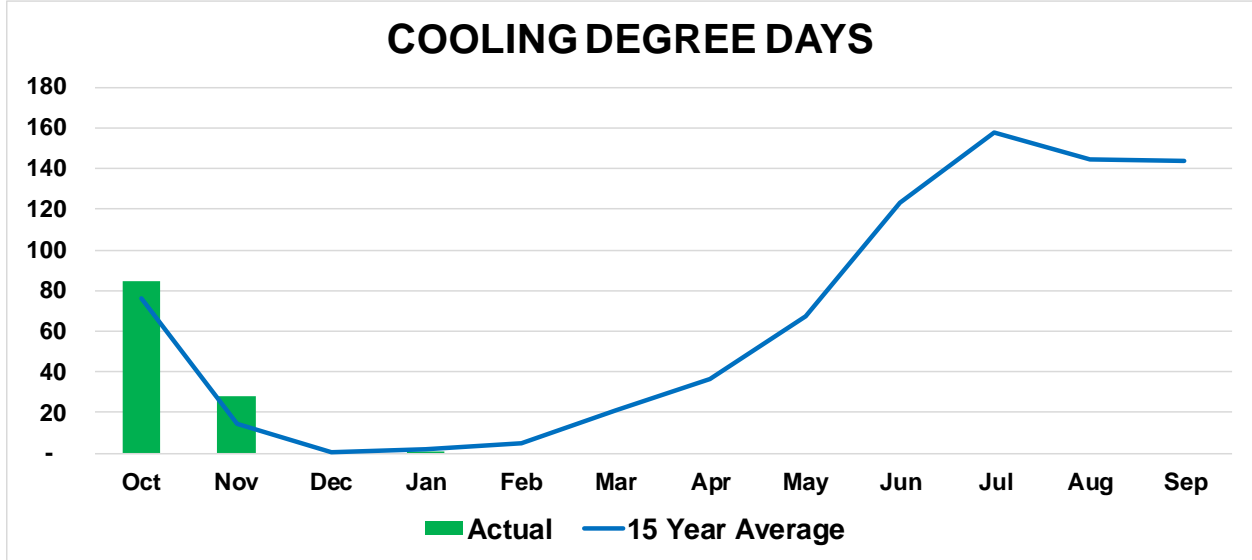
	<u>Opening Rate %</u>	<u>Current Rate %</u>	<u>Carrying Value</u>
<i>Money Market - River City Bank</i>	1.26%	2.05%	\$60,376,868

* 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	\$21,885,892	\$19,233,332	\$1,317,852	\$413,351	\$215,924	\$705,434
Period %	100%	87.9%	6.0%	1.9%	1.0%	3.2%

*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.