



## TREASURER REPORT

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

*(Preliminary & Unaudited)*

**Issue Date: August 31, 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

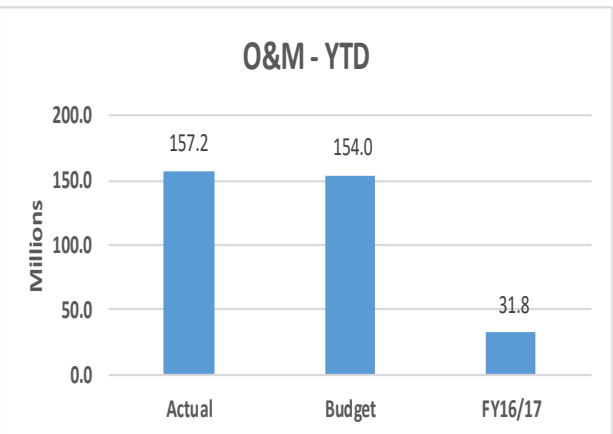
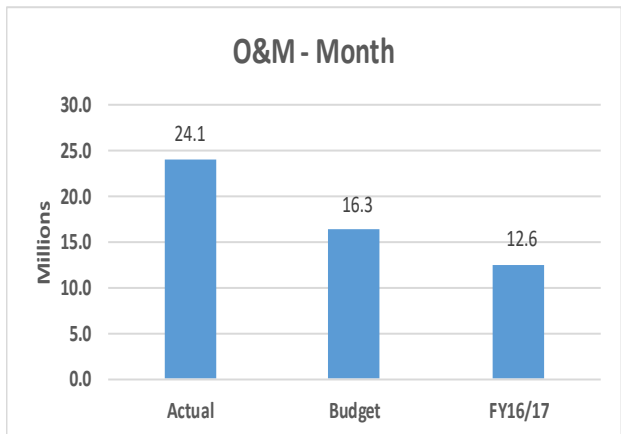
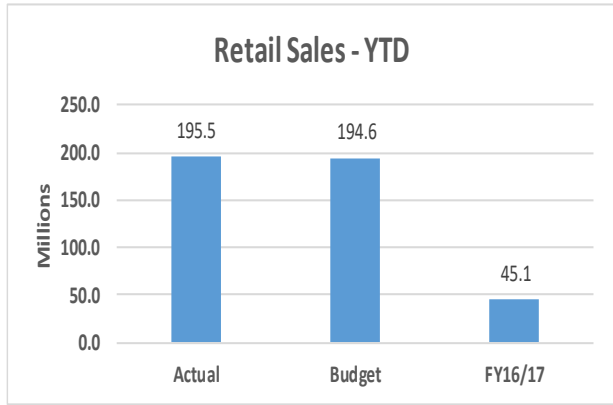
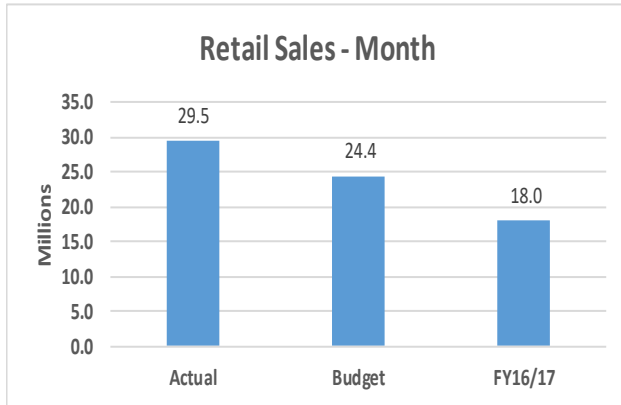
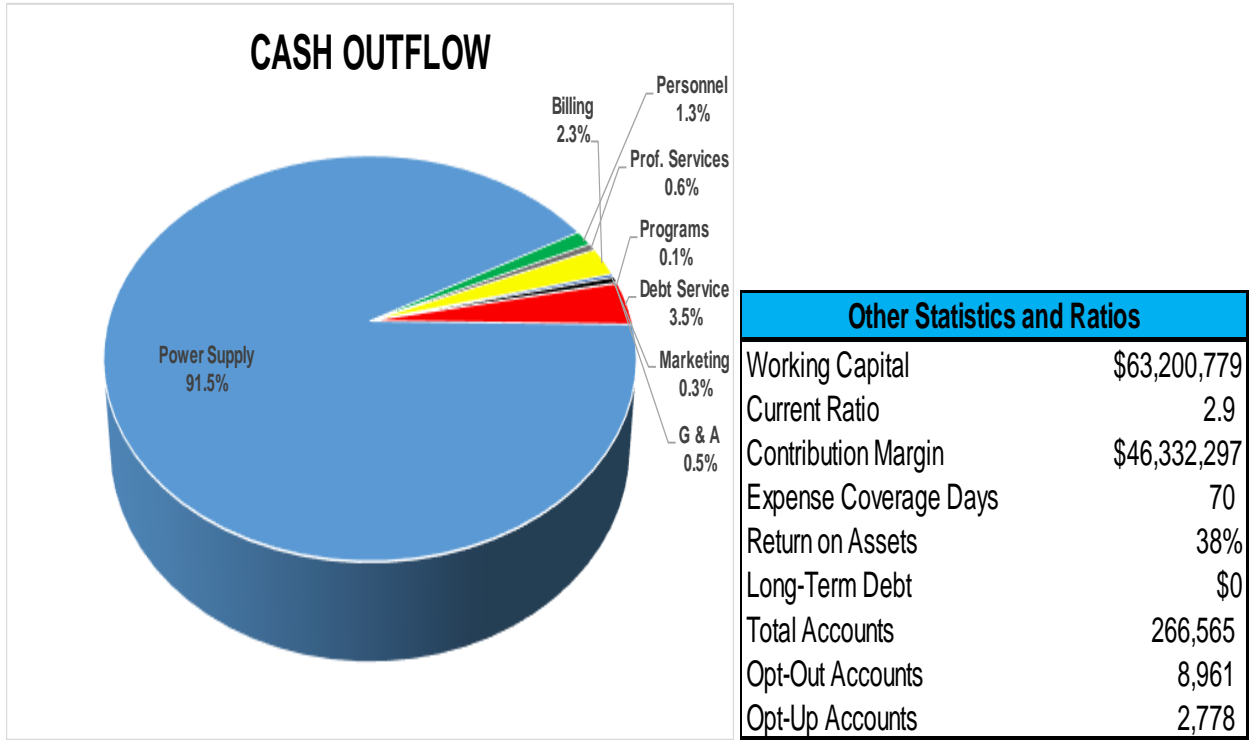
**SILICON VALLEY CLEAN ENERGY AUTHORITY**  
**Financial Statement Highlights (\$ in 000's)**

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

*July was an unusually hot month. Weather induced high demand combined with other factors such as transmission constraints and price spikes in natural gas resulted in volatility in power prices during the latter half of the month. The high demand combined with new load from Milpitas resulted in SVCE being under-hedged and exposed to high power prices.*

- > SVCE operations resulted in positive change in net position for the month of \$5.4 million and year-to-date positive change in net position of \$38.2 million.
  - o July's revenue of 29.6 million accounted for 367 GWh in net retail consumption.
  - o Even though sales were well above target, margin was at target due to the price volatility in power supply.
  - o Year-to-date contribution margin is \$46.3 million with a current ratio of 2.9.
- > Retail GWh sales were well above target for the month due to the unusually hot weather.
  - o Retail energy was 6% above target for the month.
  - 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 well above target. YTD power supply is 3% above budget.
  - o Mitigation strategy was implemented by closing open positions for August and September.
  - o Due to high purchases from CAISO, SVCE was required to post significant collateral with CAISO. Funds should be returned later in the year.
  - o Capacity charges for the month include \$2.4 million receivable for RA purchased on behalf of MBCP. SVCE will be reimbursed in August.
  - 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 Customer Program Advisory Group was initiated in January 2018. A Programs roadmap will be presented at the September Board 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	5,395			38,189	55,889
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			132,874	
Capacity	275	743	657	724	742	643	714	800	1,421	2,423			9,142	
CAISO Charges	1,034	534	2,813	882	1,292	453	325	297	283	2,564			10,477	
NEM Expense	44	(19)	(47)	(63)	(4)	26	38	265	413	405			1,059	
Charge/Credit (IST/Net Rev)	591	(1,127)	(1,828)	(2,934)	(2,789)	285	(943)	(1,528)	719	5,084			(4,470)	
Net Power Costs	15,195	12,859	16,034	12,228	14,233	15,708	13,127	11,534	14,999	23,163	-	-	149,081	182,561
Other	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Amended Budget
Capital Expenditures	-	-	9	2	-	10	-	-	-	11			32	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			2,864	
Retail Sales Budget	285	266	295	278	269	256	261	266	315	346			2,837	3,543



**SILICON VALLEY CLEAN ENERGY AUTHORITY**

**STATEMENT OF NET POSITION**

**As of July 31, 2018**

**ASSETS**

**Current Assets**

Cash & Cash Equivalents	\$ 36,059,921
Accounts Receivable, net of allowance	23,622,376
Accrued Revenue	18,522,220
Other Receivables	2,652,440
Prepaid Expenses	3,185,794
Deposits	10,205,770
Restricted cash - lockbox	2,500,000

**Total Current Assets** **96,748,521**

**Noncurrent assets**

Capital assets, net of depreciation	174,504
Deposits	3,129,060

**Total Noncurrent Assets** **3,303,564**

**Total Assets** **100,052,085**

**LIABILITIES**

**Current Liabilities**

Accounts Payable	588,023
Accrued Cost of Electricity	30,520,501
Accrued Payroll & Benefits	282,370
Other Accrued Liabilities	108,000
User Taxes and Energy Surcharges due to other gov'ts	863,848
Supplier Security Deposits	1,185,000

**Total Current Liabilities** **33,547,742**

**NET POSITION**

Net investment in capital assets	174,504
Unrestricted (deficit)	66,329,839
<b>Total Net Position</b>	<b>\$ 66,504,343</b>

**SILICON VALLEY CLEAN ENERGY AUTHORITY**

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

**October 1, 2017 through July 31, 2018**

**OPERATING REVENUES**

Electricity Sales, Net	\$ 194,799,295
GreenPrime electricity premium	599,830
Other income	13,500

**TOTAL OPERATING REVENUES** **195,412,625**

**OPERATING EXPENSES**

Cost of Electricity	149,080,328
Staff Compensation and benefits	2,090,977
Data Management	2,828,326
Service Fees - PG&E	962,234
Consultants and Other Professional Fees	740,950
Legal	299,368
Communications & Noticing	496,431
General & Administrative	775,479
Depreciation	31,499

**TOTAL OPERATING EXPENSES** **157,305,592**

**OPERATING INCOME (LOSS)** **38,107,033**

**NONOPERATING REVENUES (EXPENSES)**

Interest Income	97,479
Interest and related expenses	(15,666)

**TOTAL NONOPERATING EXPENSES** **81,813**

**CHANGE IN NET POSITION** **38,188,846**

Net Position at beginning of period **28,315,497**

**Net Position at end of period** **\$ 66,504,343**

**SILICON VALLEY CLEAN ENERGY AUTHORITY**

**STATEMENT OF CASH FLOWS**  
**October 1, 2017 through July 31, 2018**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from electricity sales	\$ 189,633,183
Receipts from other income	13,500
Receipts from supplier security deposits	1,185,000
Tax and surcharge receipts from customers	4,120,652
Energy settlements received	7,599,289
Desposits and collateral received	2,200,300
Payments to purchase electricity	(145,257,822)
Payments for staff compensation and benefits	(1,894,960)
Payments for data manager fees	(3,074,729)
Payments for PG&E service fees	(968,772)
Payments for consultants and other professional services	(655,497)
Payments for legal fees	(294,125)
Payments for communications and noticing	(493,295)
Payments for general and administrative	(858,089)
Energy settlements paid	(12,121,520)
Payments of deposits and collateral	(12,168,770)
Tax and surcharge payments to other governments	(4,054,112)
<b>Net cash provided (used) by operating activities</b>	<b><u>22,910,233</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>(38,496)</u>
-------------------------------	-----------------

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

Interest income received	<u>97,479</u>
--------------------------	---------------

Net change in cash and cash equivalents	17,316,324
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>\$ 38,559,921</u></b>

**SILICON VALLEY CLEAN ENERGY AUTHORITY**

**STATEMENT OF CASH FLOWS (Continued)**

**October 1, 2017 through July 31, 2018**

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

Operating Income (loss)	\$ 38,107,033
 <b>Adjustments to reconcile operating income to net cash provided (used) by operating activities</b>	
Depreciation expense	31,498
Revenue reduced for uncollectible accounts	981,905
(Increase) decrease in net accounts receivable	(3,183,931)
(Increase) decrease in energy settlements receivable	266,328
(Increase) decrease in other receivables	(2,452,440)
(Increase) decrease in accrued revenue	(3,545,898)
(Increase) decrease in prepaid expenses	(3,113,952)
(Increase) decrease in current deposits	(9,968,470)
Increase (decrease) in accounts payable	(262,199)
Increase (decrease) in accrued payroll & benefits	197,347
Increase (decrease) in energy settlements payable	4,398,201
Increase (decrease) in supplier security deposits	1,185,000
Increase (decrease) in accrued cost of electricity	134,189
Increase (decrease) in accrued liabilities	87,100
Increase (decrease) taxes and surcharges due to other governments	48,522
<b>Net cash provided (used) by operating activities</b>	<b><u>\$ 22,910,233</u></b>

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

	FYTD	FYTD	Variance		FY 2017-18	% Budget
	<u>Actual</u>	<u>Amended Budget</u>	<u>\$</u>	<u>%</u>	<u>Amended Budget</u>	<u>Spent</u>
<b>REVENUES &amp; OTHER SOURCES</b>						
Energy Sales	\$ 194,799,295	\$ 194,004,714	\$ 794,581	0%	\$ 253,508,101	
Green Prime Premium	599,830	507,607	92,223	18%	609,889	
Other Income	13,500	45,750	(32,250)	-70%	50,750	
Investment Income	97,479	66,667	30,812	0%	100,000	
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b><u>195,510,104</u></b>	<b><u>194,624,738</u></b>	<b><u>885,366</u></b>	<b><u>0%</u></b>	<b><u>254,268,741</u></b>	
<b>EXPENDITURES &amp; OTHER USES</b>						
<b>CURRENT EXPENDITURES</b>						
Power Supply	149,080,328	145,199,267	(3,881,061)	-3%	182,561,000	82%
Data Management	2,828,326	2,713,962	(114,364)	-4%	3,276,512	86%
PG&E Fees	962,234	779,516	(182,718)	-23%	886,912	108%
Salaries & Benefits	2,090,977	2,847,449	756,472	27%	3,555,301	59%
Professional Services	940,974	1,104,167	163,193	15%	1,325,000	71%
Marketing & Promotions	350,053	458,333	108,280	24%	550,000	64%
Notifications	146,378	120,000	(26,378)	-22%	125,000	117%
Lease	267,069	278,863	11,794	4%	334,650	80%
General & Administrative	508,410	498,250	(10,160)	-2%	597,900	85%
<b>TOTAL CURRENT EXPENDITURES</b>	<b><u>157,174,749</u></b>	<b><u>153,999,807</u></b>	<b><u>(3,174,942)</u></b>	<b><u>-2%</u></b>	<b><u>193,212,276</u></b>	<b><u>81%</u></b>
<b>OTHER USES</b>						
Customer Programs	99,344	3,805,960	3,706,616	0%	5,070,000	2%
Office Equipment	32,287	40,166	7,879	20%	50,000	65%
<b>TOTAL OTHER USES</b>	<b><u>131,631</u></b>	<b><u>3,846,126</u></b>	<b><u>3,714,495</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>162,952,046</u></b>	<b><u>163,491,598</u></b>	<b><u>539,552</u></b>	<b><u>0%</u></b>	<b><u>203,977,942</u></b>	<b><u>80%</u></b>
<b>Net Increase(Decrease) in Available Fund Balance</b>	<b><u>\$ 32,558,058</u></b>	<b><u>\$ 31,133,139</u></b>	<b><u>\$ 1,424,919</u></b>	<b><u>5%</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	\$ 32,558,058
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position	
Subtract depreciation expense	(31,499)
Add back capital asset acquisitions	32,287
Add back principal payments on debt	<u>5,630,000</u>
<b>Change in Net Position</b>	<b><u><u>38,188,846</u></u></b>

**SILICON VALLEY CLEAN ENERGY AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**October 1, 2017 through July 31, 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	\$ -	\$ -	\$194,799,295
Green electricity premium	32,946	63,341	61,848	62,605	57,222	64,918	60,208	63,856	67,274	65,612			599,830
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	-	-	195,412,625
<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			149,080,328
Staff compensation and benefits	196,743	168,026	197,149	161,974	209,855	228,403	200,838	242,800	264,448	220,741			2,090,977
Data manager	276,838	277,564	277,114	281,602	275,000	287,603	281,378	269,300	300,547	301,380			2,828,326
Service fees - PG&E	920	200,000	104,290	120,027	101,645	81,816	84,000	88,886	84,000	96,650			962,234
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			1,536,749
General and administration	55,285	66,571	110,236	62,956	59,744	168,407	74,931	54,233	50,432	72,684			775,479
Depreciation	2,762	2,762	3,001	3,059	3,058	3,153	3,299	3,364	3,420	3,621			31,499
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	-	-	157,305,592
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	-	-	38,107,033
<b>NONOPERATING REVENUES (EXPENSES)</b>													
Interest income	-	-	-	-	-	3,452	20,727	22,840	23,960	26,500			97,479
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	-	-	81,813
<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>\$ -</b>	<b>\$ -</b>	<b>\$ 38,188,846</b>

# PERSONNEL REPORT

HEADCOUNT				
Position	<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>
<b>Total*</b>	<b><u>19</u></b>		<b><u>15</u></b>	<b><u>4</u></b>

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

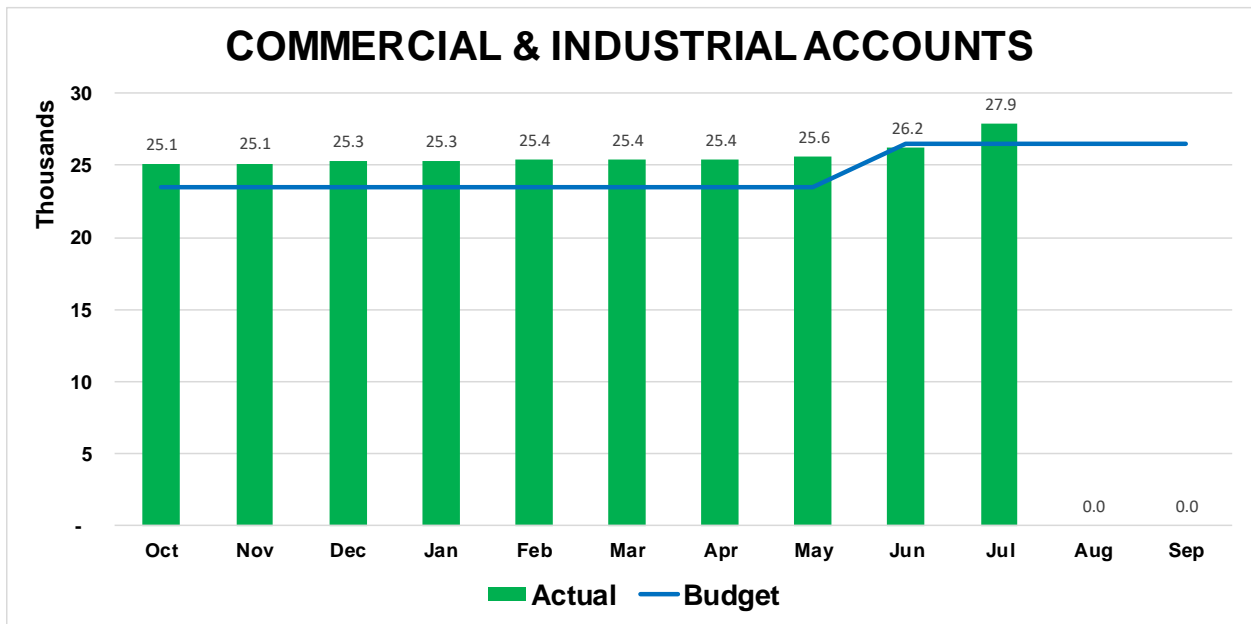
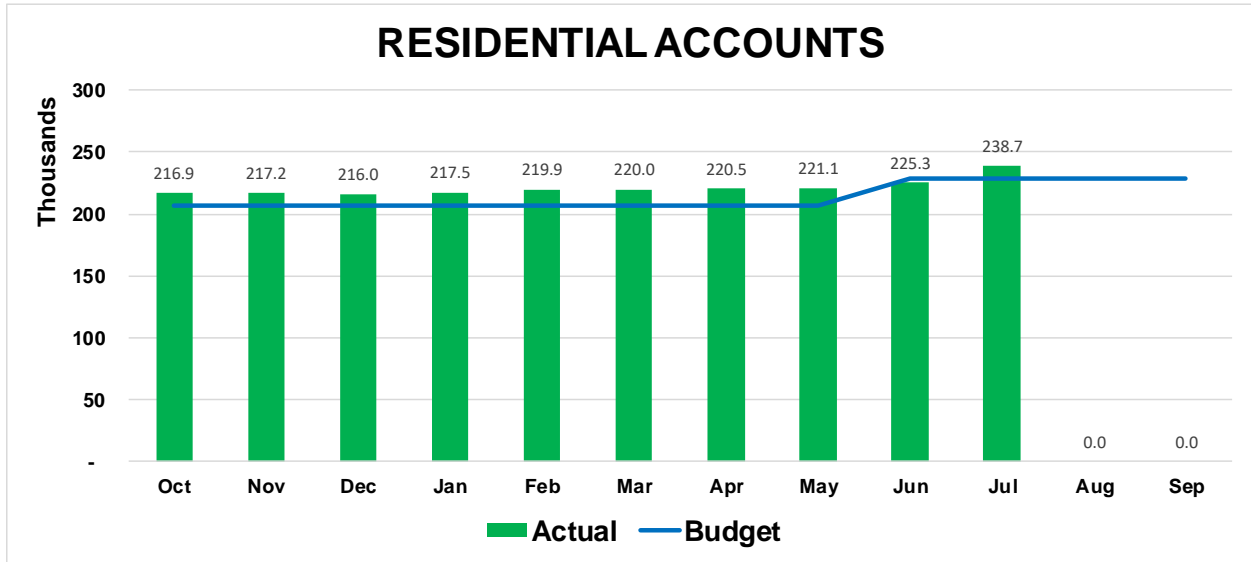
CONTINGENT POSITIONS				
Position	Positions		Variance	
	FY2017-18 Budget	FY2017-18 Actual		
Climate Fellows / Temporary	2	2	-	

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

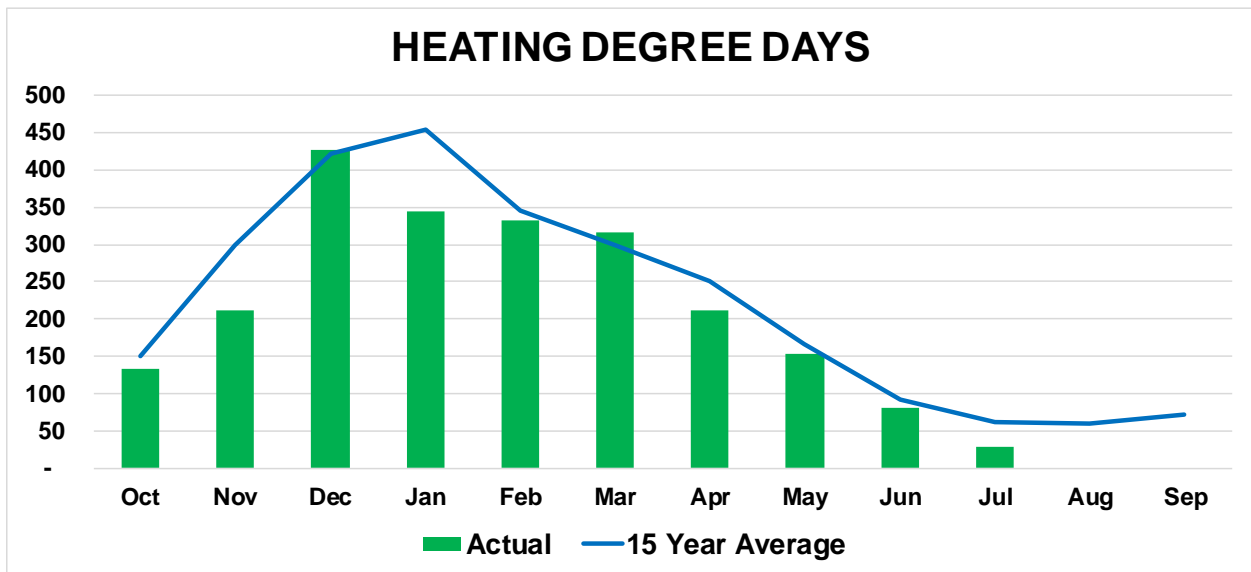
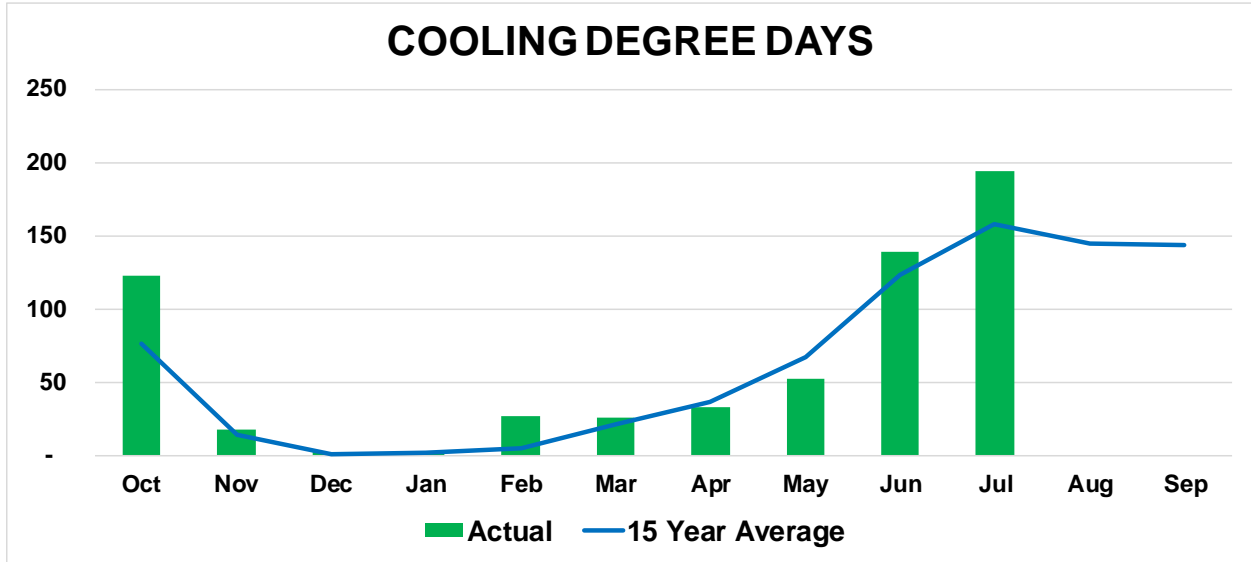
Return on Investments	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	YTD <u>Total</u>
<i>Money Market</i>	\$0	\$0	\$0	\$0	\$0	\$3,452	\$20,727	\$22,840	\$23,960	\$26,500			<u>\$97,479</u>
<hr/>													
<b>Portfolio 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			
<i>Average daily portfolio invested</i>						\$20,003,452	20,004,143	20,024,915	20,048,616	20,071,834			
<i>% of average daily portfolio invested</i>						54.4%	52.9%	57.5%	62.3%	63.7%			
<hr/>													
<b>Detail of Portfolio</b>													
	<u>Purchased Rate %</u>	<u>Maturity Rate %</u>	<u>Carrying Value</u>										
<i>Money Market - River City Bank</i>	1.26%	1.26%	\$20,097,479										

\* Note: Balance available to invest does not include balance in the Lockbox.

# 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>\$25,076,343</b>	\$23,711,742	\$472,610	\$223,886	\$178,742	\$489,362
<b>Period %</b>	<b>100%</b>	94.6%	1.9%	0.9%	0.7%	2.0%