



## 2023 JUNE FINANCIAL REPORT

Reporting Unaudited Financial Results

*For the year ending*

June 30, 2023

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**HETCH HETCHY WATER AND POWER ENTERPRISE  
CLEANPOWERSF  
STATEMENTS OF NET POSITION**

June 30, 2023  
(In thousands)

	<b>Unaudited FY 2023 *</b>
<b>ASSETS</b>	
Current assets	
Cash and investments with City Treasury	\$ 103,936 <sup>1</sup>
Charges for services receivables (net of allowance for doubtful accounts of \$7,924 as of June 30, 2023 and \$6,330 as of June 30, 2022)	21,930
Interest receivables	391
Total current receivables	<u>22,321</u>
Total current assets	<u>126,257</u>
Non-current assets:	
Net pension asset	1,833
Lease right-to-use assets, net of accumulated amortization	230
Prepaid charges, advances, and other receivables, less current portion	16,424 <sup>2</sup>
Total non-current assets	<u>18,487</u>
Total assets	<u>144,744</u>
Deferred outflows of resources	
Pensions	852
Other post-employment benefits	798
Total deferred outflows of resources	<u>1,650</u>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	10,682
Accrued payroll	370
Accrued vacation and sick leave, current portion	279
Damage claims liability, current portion	15
Lease liability, current portion	232
Unearned revenues, refunds, and other, current portion	6,414
Total current liabilities	<u>17,992</u>
Long-term liabilities	
Other post-employment benefits obligations	2,264
Accrued vacation and sick leave, less current portion	267
Damage claims liability, less current portion	17
Unearned revenues, refunds, and other, less current portion	— <sup>1</sup>
Total long-term liabilities	<u>2,548</u>
Total liabilities	<u>20,540</u>
Deferred inflows of resources	
Related to pensions	5,414
Other post-employment benefits	1,594
Total deferred inflows of resources	<u>7,008</u>
<b>NET POSITION</b>	
Unrestricted	118,846
Total net position	<u>\$ 118,846</u>

\* FY2023 Statements of Net Position is prepared in accordance with partial accrual basis of accounting based on data as of August 1, 2023. Balances of the following items are not fully accounted for or adjusted until the fiscal year-end: (i) lease assets and liabilities, (ii) Damage and claim liability, (iii) other post-employment benefits obligation, (iv) payroll accrual, vacation and sick leave accrual for services earned but not taken, (v) workers' compensation, and (vi) pension liability.

<sup>1</sup> Cash and investments with City Treasury included (\$1,653) manual reversal of unrealized loss on investments, which was auto-reversed in the beginning of the year. \$9,000 cash collateral received for power purchase agreement was refunded in May 2023.

<sup>2</sup> Non-current prepaid charges, advances, and other receivables represents \$16.4 collateral paid to CAISO scheduling coordinator, APX Inc. to satisfy CAISO's financial security requirements.

**HETCH HETCHY WATER AND POWER ENTERPRISE  
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**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

For twelve months ended June 30, 2023

(In thousands)

	<b>Unaudited * FY 2023</b>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 307,082
Total operating revenues	307,082
<b>OPERATING EXPENSES</b>	
Personnel services	5,067
Contractual services	6,227
Transmission/distribution and other power costs	226
Purchases from Hetchy Power	5,675
Purchased electricity	246,793
Materials and supplies	13
Amortization	—
Services provided by other departments	2,401
General and administrative and other	10,005
Total operating expenses	276,407
Operating income	30,675
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Federal and state grants	1,173
Interest and investment income	2,839
Interest expenses	—
Other non-operating revenues	57
Other non-operating expenses	(218)
Net non-operating revenues (expenses)	3,851
Change in net position	34,526
Net position at beginning of year	84,320
Net position at end of year	\$ 118,846

\* FY 2023 Statements of Revenue, Expenses, and Changes in Net Position is prepared in accordance with partial accrual basis of accounting; twelve months to June 30, 2023 is preliminary unaudited based on data as of August 1, 2023.

**HETCH HETCHY WATER AND POWER ENTERPRISE  
CLEANPOWERSF**

**STATEMENTS OF CASH FLOWS**

For twelve months ended June 30, 2023  
(In thousands)

	<u>Unaudited FY 2023*</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 324,730
Cash received from miscellaneous revenues	7
Cash paid to employees for services	(5,070)
Cash paid to suppliers for goods and services	(268,581)
Cash paid to Hetchy Power	(5,675)
Cash paid for judgments and claims	(1,725)
Net cash provided by operating activities	<u>43,686</u>
<b>CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Cash received from grants	1,173
Cash received from Public Purpose Funds	2,393
Cash paid for rebates, program incentives, and other	(218)
Net cash provided by non-capital financing activities	<u>3,348</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest income received	668
Net cash provided by investing activities	<u>668</u>
Increase in cash and cash equivalents	47,702
Cash and cash equivalents:	
Beginning of year	57,887
End of year	<u>\$ 105,589</u>
Reconciliation of cash and cash equivalents to the statements of net position:	
Cash and investments with City Treasury:	
Unrestricted	\$ 103,936
Add: Unrealized loss on investments	1,653
Cash and cash equivalents at end of year	<u>\$ 105,589</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET</b>	
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating Income	\$ 30,675
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	—
Miscellaneous revenues	7
Provision for uncollectible accounts	1,594
Changes in operating assets and liabilities:	
Charges for service receivables	25,179
Prepaid charges, advances, and other	8,203
Accounts payable	(12,844)
Accrued payroll	(3)
Other post-employment benefits obligations	—
Pension obligations	—
Accrued vacation and sick leave	—
Damage claims liability	—
Unearned revenues, refunds, and other liabilities	(9,125)
Total adjustments	<u>13,011</u>
Net cash provided by operating activities	<u>\$ 43,686</u>
Noncash transactions:	
Unrealized loss on investment	1,653

\* FY 2023 Statements of Cash Flows is prepared in accordance with cash basis of accounting. Twelve months to June 30, 2023 is preliminary unaudited based on data as of August 1, 2023.



## **Executive Management**

Dennis J. Herrera

*General Manager*

Ronald P. Flynn

*Deputy General Manager*

Barbara Hale

*Assistant General Manager, Power Enterprise*

Nancy L. Hom,

*Assistant General Manager, Business Services &  
Chief Financial Officer*

Masood Ordikhani

*Assistant General Manager, External Affairs*

Joel Prather

*Acting Assistant General Manager, Wastewater  
Enterprise*

Steve Ritchie

*Assistant General Manager, Water Enterprise*

Stephen D. Robinson

*Assistant General Manager, Infrastructure*

## **CleanPowerSF**

Michael Hyams, Director

## **Financial Services Bureau**

Vivian Chen, Deputy Chief Financial Officer

Laura Busch, Acting Deputy Chief Financial Officer

Brendan Conran, Financial Reporting & Analysis Director

*Requests for additional information regarding this  
report can be sent to:*

*525 Golden Gate Avenue, 4th Floor  
San Francisco, CA 94102*