



2nd Quarter Financial Report

Reporting Unaudited Financial Results

For the period ending

December 31, 2021

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CLEANPOWERSF**

STATEMENTS OF NET POSITION

December 31, 2021

(In thousands)

	Unaudited DEC 2021*
ASSETS	
Current assets	
Cash and investments with City Treasury	\$ 78,157
Charges for services receivables (net of allowance for doubtful accounts of \$3,722 as of December 31, 2021)	22,302
Interest receivables	55
Total current receivables	22,357
Total current assets	100,514
Total assets	100,514
Deferred outflows of resources	
Pensions	803
Other post-employment benefits	442
Total deferred outflows of resources	1,245
LIABILITIES	
Current liabilities	
Accounts payable	7,207
Accrued vacation and sick leave, current portion	205
Damage claims liability, current portion	6
Unearned revenues, refunds, and other, current portion	1,172
Total current liabilities	8,590
Long-term liabilities	
Other post-employment benefits obligations	2,909
Net pension liability	3,008
Accrued vacation and sick leave, less current portion	195
Unearned revenues, refunds, and other, less current portion	9,000
Total long-term liabilities	15,112
Total liabilities	23,702
Deferred inflows of resources	
Related to pensions	1,093
Other post-employment benefits	1,913
Total deferred inflows of resources	3,006
NET POSITION	
Unrestricted	75,051
Total net position	\$ 75,051

* FY 2022 Statements of Net Position is prepared in accordance with partial accrual basis of accounting based on data as of February 2, 2022. Balances of the following items are not fully accounted for or adjusted until the fiscal year-end: (i) Damage and claim liability, (ii) other post-employment benefits obligation, (iii) payroll accrual, vacation and sick leave accrual for services earned but not taken, (iv) workers' compensation, and (v) pension liability.

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STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For six months ended December 31, 2021

(In thousands)

	Unaudited DEC 2021*
OPERATING REVENUES	
Charges for services	\$ 101,568
Total operating revenues	101,568
OPERATING EXPENSES	
Personnel services	1,832
Contractual services	2,541
Transmission/distribution and other power costs	80
Purchases from Hetchy Power	1,470
Purchased electricity	105,131
Services provided by other departments	532
General and administrative and other	2,097
Total operating expenses	113,683
Operating loss	(12,115) **
NON-OPERATING REVENUES	
Other non-operating revenues	86
Net non-operating revenues	86
Change in net position	(12,029)
Net position at beginning of year	87,080
Net position at end of period	\$ 75,051

* FY 2022 Statements of Revenue, Expenses, and Changes in Net Position is prepared in accordance with partial accrual basis of accounting; Six months to December 31, 2021 is preliminary unaudited based on data as of February 2, 2022.

** Operating loss is mainly due to higher purchased electricity costs, which is accounted for 93.8% of total operating expenses. As a result, on September 28, 2021, the Commissioner approved a rate increase up to 15% above the equivalent PG&E generation rates, effectively on November 1st, 2021 (Resolution No: 21-0152).

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STATEMENTS OF CASH FLOWS

For six months ended December 31, 2021

(In thousands)

	Unaudited DEC 2021*
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 107,675
Cash paid to employees for services	(2,123)
Cash paid to suppliers for goods and services	(116,750)
Cash paid to Hetchy Power	(1,470)
Cash paid for judgments and claims	(99)
Net cash used in operating activities	<u>(12,767)</u>
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES	
Cash received from miscellaneous revenues	86
Net cash provided by non-capital financing activities	<u>86</u>
Decrease in cash and cash equivalents	(12,681)
Cash and cash equivalents:	
Beginning of year	90,764
End of period	<u>\$ 78,083</u>
Reconciliation of cash and cash equivalents to the statements of net position:	
Cash and investments with City Treasury:	
Unrestricted	\$ 78,157
Less: Unrealized gain on investments	(74)
Cash and cash equivalents at end of period	<u>\$ 78,083</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	\$ <u>(12,115)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Provision for uncollectible accounts	(1,763)
Changes in operating assets and liabilities:	
Charges for service receivables	7,726
Prepaid charges, advances, and other	2,184
Accounts payable	(8,652)
Accrued payroll	(291)
Unearned revenues, refunds, and other liabilities	144
Total adjustments	<u>(652)</u>
Net cash used in operating activities	<u>\$ (12,767)</u>
Noncash transactions:	
Unrealized gain on investment	(74)

* FY 2022 Statements of Cash Flows is prepared in accordance with cash basis of accounting. Six months to December 31, 2021 is preliminary unaudited based on data as of February 2, 2022.



Executive Management

Dennis J. Herrera

General Manager

Michael Carlin

Deputy General Manager

Ronald P. Flynn

Chief of Staff

Barbara Hale

Assistant General Manager, Power Enterprise

Alan Johanson

Interim Assistant General Manager, Infrastructure

Gregory Norby

Assistant General Manager, Wastewater Enterprise

Masood Ordikhani

Assistant General Manager, External Affairs

Steve Ritchie

Assistant General Manager, Water Enterprise

CleanPowerSF

Michael Hyams, Director

Financial Services Bureau

Nancy L. Hom, Deputy Chief Financial Officer

Charles Perl, Deputy Chief Financial Officer

Brendan Conran, Financial Reporting & Analysis Director

Vivian Chen, Accounting Services Director

Laura Busch, Budget Director

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

525 Golden Gate Avenue, 4th Floor

San Francisco, CA 94102