

City of San José
Statement of Net Position
Proprietary Funds
September 30, 2019
(unaudited)

		<u>San José Clean Energy</u>
ASSETS		
Current assets:		
Equity in pooled cash and investments held in City Treasury	\$	22,552,816
Receivables (net of allowance for uncollectibles)		57,329,954
Total unrestricted current assets		<u>79,882,770</u>
Restricted assets:		
Equity in pooled cash and investments held in City Treasury		-
Cash investment held with City		2,725
Cash held in operating reserve account		10,000,000
Cash Investment held with fiscal agent		4,029
Total restricted current assets		<u>10,006,754</u>
Noncurrent assets:		
Net OPEB Assets - GASB 75		741,804
Total noncurrent assets		<u>741,804</u>
Total assets		<u>90,631,328</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension Contributions		803,946
OPEB Contributions		173,522
LIABILITIES		
Current liabilities:		
Accounts payable	\$	47,294,393
Accrued liabilities		252,687
Accrued vacation, sick leave and compensatory time		125,490
Estimated liability for claims and judgment		6,791,155
Advances and deposits payable		609,000
Short-term Notes payable		10,000,000
Total current liabilities		<u>65,072,725</u>
Total liabilities		<u>65,072,725</u>
DEFERRED INFLOWS OF RESOURCES		
Pension Contributions		-
OPEB Contributions		294,151
NET POSITION		
Restricted for operating reserve		10,000,000
Unrestricted		16,241,920
Total net position	\$	<u>26,241,920</u>

City of San José
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Quarter Ended September 30, 2019
(unaudited)

		San José Clean Energy
OPERATING REVENUES		
Power sales	\$	113,773,537
SJCE product sales		300,000
Total operating revenues		114,073,537
OPERATING EXPENSES		
Operations and maintenance		1,766,451
Power purchases		92,926,391
General and administrative		2,423,256
Depreciation and amortization		-
Materials and supplies		3,233
Total operating expenses		97,119,331
Operating income (loss)		16,954,206
NONOPERATING REVENUES (EXPENSES)		
Investment income		89,057
Interest Expense		(38,333)
Letter of Credit Fees		(214,759)
Commercial Paper Fees		-
Net nonoperating revenues (expenses)		(164,035)
Income (loss) before capital contributions and transfers		16,790,171
Transfers out		(215,789)
Change in net position		16,574,382
Total net position - beginning		9,667,538
Adjustment to total net position		-
Total net assets - ending	\$	26,241,920

City of San José
Statement of Cash Flows
Proprietary Funds
For the Quarter Ended September 30, 2019
(Unaudited)

	<u>San José Clean Energy</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 99,027,047
Receipts from interfund services provided	-
Payments to suppliers	(76,163,523)
Payments to employees	(1,205,059)
Payments for interfund services used	-
Net cash provided by (used in) operating activities	<u>21,658,465</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer to other funds	(215,789)
Net cash provided (used) by noncapital and related financing activities	<u>(215,789)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Interest paid on debt	(38,333)
Letter of credit Fees	(214,759)
Commercial Paper Fees	-
Net cash provided (used) by capital and related financing activities	<u>(253,092)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends received	89,057
Net cash provided (used) by investing activities	<u>89,057</u>
Net change in cash and cash equivalents	21,278,641
Cash and cash equivalents - beginning	11,280,929
Cash and cash equivalents - ending	<u>\$ 32,559,570</u>
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating income (loss)	\$ <u>16,954,206</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Decrease (increase) in:	
Accounts receivable	(15,046,490)
Increase (decrease) in:	
Accounts payable	12,267,839
Accrued salaries, wages, and payroll taxes	(169,932)
Accrued vacation, sick leave and compensatory time	-
Net pension liability, deferred outflows/inflows of resources related to pension - GASB 68	-
Net OPEB liability, deferred outflows/inflows of resources related to OPEB - GASB 75	-
Advances and deposits payable	<u>609,000</u>
Total adjustments	<u>4,704,259</u>
Net cash provided by (used in) operating activities	<u>\$ 21,658,465</u>

City of San José
Statement of Cash Flows
Proprietary Funds
For the Quarter Ended September 30, 2019
(Unaudited)

		San José Clean Energy
Reconciliation of cash and cash equivalents to the balance sheet:		
Equity in pooled cash and investments held in City Treasury		
Unrestricted	\$	22,552,816
Restricted		10,000,000
Cash investment held with City		2,725
Cash and investments held with fiscal agent		4,029
	\$	32,559,570