



**Date:** May 27, 2025

**To:** Commissioner Kate Stacy, President  
Commissioner Joshua Arce, Vice President  
Commissioner Avni Jamdar  
Commissioner Steve Leveroni

**Through:** Dennis J. Herrera, General Manager *DJH*

**From:** Nancy L. Hom, Chief Financial Officer and Assistant  
General Manager, Business Services *NLH*

**Subject:** **SFPUC FY 2024-25 Third Quarter Budgetary Report through March 2025**

The FY 2024-25 third quarter budgetary reports are attached for the three Enterprises and CleanPowerSF, with high-level changes to revenues and expenses summarized in the following table:

**FY 2024-25 Operations**

	Beginning Available Fund Balance	Fund Balance Budgeted to be (Used)	Projected Sources	Projected Uses (excluding Capital)	Net Operating Results Surplus / (Shortfall)	Mid-year Adjustments to Fund Balance	Projected Year End Available Fund Balance
Water	204.0	(24.0)	(1.9)	5.3	3.4	(0.1)	183.2
Wastewater	177.2	(24.7)	1.2	6.7	7.9	(1.7)	158.7
Power	217.6	(28.7)	(12.0)	72.0	59.9	-	248.8
CleanPowerSF	150.2	-	(31.0)	99.7	68.7	-	218.9

**Summary:**

- Positive year end operating results projected for all enterprises and CleanPowerSF.
- *Water:* Retail revenues have further improved from the first two quarters but are still projected to be below budget primarily due to lower volumes than budgeted. This is partially offset by slightly higher wholesale sales, interest earnings, and savings from programmatic projects, interdepartmental service costs, and debt service.

**Daniel L. Lurie**  
Mayor

**Kate H. Stacy**  
President

**Joshua Arce**  
Vice President

**Avni Jamdar**  
Commissioner

**Steve Leveroni**  
Commissioner

**Dennis J. Herrera**  
General Manager



- *Wastewater*: Revenues are still projected remain below budget due to lower volumes. Further, multiple stormwater-only parcels currently have no service agreements and remain uncollected. This is offset by a one-time payment from UCSF and the Warriors for their share of costs for the Mariposa Pump Station, interest earnings, lower personnel costs due to vacant positions, and debt service savings.
- *Power*: Overall trends are similar to the second quarter. Retail revenues are below budget due lower demand, offset by higher wholesale revenues from resource adequacy sales. On the uses side, large savings are projected for power purchases mainly due to carryforward budget and contingency that is not projected to be spent. Additionally, power purchase prices have come in lower than budgeted.
- *CleanPowerSF*: Retail sales are projected to be similar to the second quarter, lower than the budget due to final rates being set lower as well as less demand due to lower-than-forecasted customer enrollment. This is offset by higher wholesale sales. On the uses side, continued lower power prices and demand, as well as an unspent power purchase contingency, have resulted in a surplus for the power purchase budget. In addition, there is a general reserve which was budgeted to go unspent to build reserves and savings expected in a workorder to LAFCo.
- All enterprises are projected to exceed financial policy minimums and coverage ratios at year end. Notably, CleanPowerSF is for the first time meeting its fund balance reserve target (49%).

Additionally, on May 6, the Mayor's Office introduced a supplemental appropriation ordinance to shift \$1,065,000 of permanent salary funds in the Water, Wastewater and Power enterprises to overtime. This is an annual occurrence under San Francisco Administrative Code Section 3.17, which requires certain City departments, including the SFPUC, to obtain Board of Supervisors approval if they expect to spend more on overtime than the amount appropriated in their annual budget. Overtime is largely driven by wet weather events, emergency crews responding to critical maintenance requests and equipment failures, and other high priority field operations.

If you have questions, please contact me at [NHom@sfgwater.org](mailto:NHom@sfgwater.org).

cc:

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Masood Ordikhani, AGM, External Affairs, SFPUC  
Laura Busch, Deputy Chief Financial Officer, SFPUC  
Anna Duning, Budget Director, SFPUC  
Sophia Kittler, Budget Director, Mayor's Office  
Greg Wagner, Controller

Attachments:

Appendix A Water Enterprise  
Appendix B Wastewater Enterprise  
Appendix C Hetch Hetchy Water & Power, including the Power  
Enterprise  
Appendix D CleanPowerSF

Appendix A

WATER ENTERPRISE OPERATING FUNDS

FY 2024-25 3rd Quarter - Budgetary Basis, Funds 25940, 25950, 25990, 25960, 26570, 26600, 26510 & 26603  
(\$ Millions)

	FY 2024-25				
	FY 2023-24 Actuals	Original Budget	Revised Budget (includes carryforwards)	Projection (current year spending)	Variance (Projection vs Revised Budget)
<b>Sources</b>					
Retail Water Sales	322.1	344.0	345.0	338.3	(6.7) A
Wholesale Water Sales	313.0	359.9	359.9	361.1	1.2 B
Interest Income	11.1	3.2	3.2	8.4	5.2 C
Rental Income	9.0	12.7	12.7	12.7	-
Miscellaneous Income	16.0	20.3	20.3	16.3	(4.0) D
Departmental Transfer Adjustment	(46.3)	(49.2)	(49.2)	(49.2)	-
Federal Bond Interest Subsidy	22.8	20.4	20.4	22.8	2.4 E
Appropriated/Budgeted Use of Fund Balance	-	24.0	62.1	62.1	-
<b>Total Sources</b>	<b>647.7</b>	<b>735.2</b>	<b>774.3</b>	<b>772.4</b>	<b>(1.9)</b>
<b>Operating Uses</b>					
Personnel	112.3	121.5	121.5	121.5	-
Non-Personnel Services	36.7	21.2	27.7	26.7	1.0 F
Materials and Supplies	21.8	20.3	22.5	22.5	-
Equipment	2.5	4.1	9.6	9.6	-
Overhead (SFPUC Bureaus)	59.9	65.0	77.9	77.9	-
Services of Other Departments	26.4	32.0	34.0	32.7	1.3 G
Debt Service	327.4	333.6	333.6	331.2	2.4 H
General Reserve	5.9	0.6	0.6	-	0.6 I
<b>Total Operating Uses</b>	<b>592.9</b>	<b>598.2</b>	<b>627.5</b>	<b>622.2</b>	<b>5.3</b>
<b>Net Operating Results</b>	<b>54.8</b>			<b>150.2</b>	<b>3.4</b>
<b>Other Impacts to Operating Budget</b>					
	FY 2023-24 Actuals	Current Year Transfers from Operating	Total Available Funds	Projection (current & future years spending)	Variance
Capital Projects	67.1	103.6	242.7	242.7	-
Facilities Maintenance/Programmatic	31.9	33.5	75.4	70.7	4.8 J
Legal Settlements	-	-	-	4.9	(4.9) K
<b>Total Adjustments to Operating Fund Balance</b>	<b>\$ 99.0</b>	<b>\$ 137.1</b>	<b>\$ 318.1</b>	<b>\$ 318.2</b>	<b>\$ (0.1)</b>
<b>Available Fund Balance as of Fiscal Year-End</b>	<b>\$ 204.0</b>				<b>\$ 183.2</b>
<b>Available Fund Balance, % of Operating Uses (L) 25-68%</b>	<b>68.6%</b>				<b>50.7%</b>
<b>Debt Service Coverage (Year-End Budgetary Basis) (M)</b>					
Indenture Basis (includes Available Fund Balance) (N) ≥ 1.35	<b>1.81</b>	<b>1.87</b>			<b>1.78</b>
Current Basis (O) ≥ 1.10	<b>1.10</b>	<b>1.33</b>			<b>1.23</b>

## Appendix A

### WATER ENTERPRISE OPERATING FUNDS

FY 2024-25 3rd Quarter - Budgetary Basis, Funds 25940, 25950, 25990, 25960, 26570, 26600, 26510 & 26603  
(\$ Millions)

#### Revenue Variances

- A. Projected retail water sales of 54.0 MGD represent a 4.2% increase from FY 23-24 actuals of 51.9 MGD and a 1.8% decrease from budget of 55 MGD. Forecast also includes \$3.6M in revenue (0.5 MGD net total) from delayed bills from prior fiscal year and \$3.7M in transfers out to wastewater from lease revenues to pay for low-income customer discount programs.
- B. Projected wholesale water sales of 128.1 MGD represent a 4.2% increase from FY 23-24 actuals of 122.9 MGD and a 0.1% decrease from budgeted volumes of 128.2 MGD. Partially offset by \$3.9M in minimum purchase charges from FY 23-24.
- C. Interest income projected to exceed budget due to year-to-date interest rate of 3.65% vs. budget assumption of 2.0%, as well as higher cash balances than assumed.
- D. Miscellaneous income is projected to be below budget, mainly due to a correction to historic overhead revenues. The reduction in overhead revenues is offset by an equal reduction in expenditures. Also, revenue from water service installation charges are projected to be 27% below budget.
- E. Includes federal subsidy on 525 Golden Gate COPs.

#### Expenditure Variances

- F. Savings reflect lower spending associated with customer rebate and incentive programs.
- G. Savings reflect savings from other City Departments.
- H. Primarily due to the delay of interest payment for the Mt Tunnel SRF loan and savings from the 2025 Water Revenue Refunding
- I. \$0.6M in general reserve.
- J. \$4.0M in savings from Landscape Conservation Program and \$0.8M in planned savings from community benefits project.
- K. Expected legal settlements.

#### Other Notes

- L. Calculated as Ending Available Fund Balance (including additions to General Reserve) as a percent of Operating Uses plus Facilities Maintenance/Programmatic Uses. SFPUC's Fund Balance Reserve Policy requires this to be within a range of 25-68%.
- M. Additional expenses that are included in debt service calculations are not shown in this operating fund report.
- N. Calculated as ratio between (a) Total Sources plus Beginning Available Fund Balance plus Capacity Charges, less Operating Uses less Facilities Maintenance/Programmatic, excluding all revenues and expenses related to the 525 Golden Gate COPs, and (b) Debt Service. The Indenture requires this ratio to be a minimum of 1.25 times, and SFPUC's Debt Service Coverage Policy requires this ratio to be a minimum of 1.35 times.
- O. Calculated as ratio between (a) Total Sources plus any appropriated fund balance, plus Capacity Charges, less Operating Uses less Facilities Maintenance/Programmatic, excluding all revenues and expenses related to the 525 Golden Gate COPs, and (b) Debt Service. SFPUC's Debt Service Coverage Policy requires this ratio to be a minimum of 1.10 times.

Appendix B

WASTEWATER ENTERPRISE OPERATING FUNDS  
 FY 2024-25 3rd Quarter - Budgetary Basis, Funds 20160, 20170, 20180, 20530 & 20550  
 (\$ Millions)

	FY 2023-24 Actuals	FY 2024-25			Variance (Projection vs Revised Budget)	
		Original Budget	Revised Budget (includes carryforwards)	Projection (current year spending)		
<b>Sources</b>						
Sewer Service Charges	385.4	435.3	435.8	423.6	(12.2)	A
Interest Income	11.6	3.9	3.9	10.4	6.4	B
Miscellaneous Income	3.5	4.2	4.2	10.5	6.3	C
Federal Bond Interest Subsidy	3.9	3.2	3.2	3.9	0.6	D
Appropriated/Budgeted Use of Fund Balance	26.4	24.7	48.4	48.4	-	
<b>Total Sources</b>	<b>430.7</b>	<b>471.4</b>	<b>495.6</b>	<b>496.7</b>	<b>1.2</b>	
<b>Operating Uses</b>						
Personnel	80.6	89.5	89.5	88.0	1.5	E
Non-Personnel Services	25.2	30.1	32.4	32.4	-	
Materials and Supplies	14.2	15.9	17.7	17.7	-	
Equipment	4.3	1.7	5.0	5.0	-	
Overhead (SFPUC Bureaus)	35.8	47.2	54.8	54.8	-	
Services of Other Departments	35.9	38.9	43.6	43.6	-	
Debt Service	95.1	122.6	122.6	117.9	4.7	F
General Reserve	27.8	0.6	0.6	-	0.6	G
<b>Total Operating Uses</b>	<b>291.3</b>	<b>346.5</b>	<b>366.2</b>	<b>359.5</b>	<b>6.7</b>	
<b>Net Operating Results</b>	<b>139.4</b>			<b>137.3</b>	<b>\$ 7.9</b>	
<b>Other Impacts to Operating Budget</b>						
	FY 2023-24 Actuals	Current Year Transfers from Operating	Total Available Funds	Projection (current & future years spending)	Variance	
Capital Projects	82.5	112.4	295.0	295.0	-	
Facilities Maintenance/Programmatic	8.5	12.5	17.0	17.0	-	
Legal Settlements	-	-	-	1.7	(1.7)	H
<b>Total Adjustments to Operating Fund Balance</b>	<b>\$ 91.1</b>	<b>\$ 124.9</b>	<b>\$ 312.0</b>	<b>\$ 313.7</b>	<b>\$ (1.7)</b>	
<b>Available Fund Balance as of Fiscal Year-End</b>	<b>\$ 177.2</b>				<b>\$ 158.7</b>	
<b>Available Fund Balance, % of Operating Uses (I) 25-68%</b>	<b>86.5%</b>				<b>61.4%</b>	
<b>Debt Service Coverage (Year-End Budgetary Basis) (J)</b>						
Indenture Basis (includes Available Fund Balance) (K) ≥ 1.35	<b>3.87</b>	<b>3.26</b>			<b>3.14</b>	
Current Basis (L) ≥ 1.10	<b>2.06</b>	<b>2.01</b>			<b>2.01</b>	

## Appendix B

### WASTEWATER ENTERPRISE OPERATING FUNDS FY 2024-25 3rd Quarter - Budgetary Basis, Funds 20160, 20170, 20180, 20530 & 20550 (\$ Millions)

#### **Revenue Variances**

- A.** Projected sales of 44.2 MGD represent a 1.6% increase from FY 23-24 actuals of 43.5 MGD and a 2.5% decrease from budget of 45.4 MGD. Forecast includes \$4.5M in revenue (0.5 MGD net total) from delayed bills from prior fiscal year and \$3.7M in revenue transfers from water lease revenues to pay for low-income discount programs. This is offset by some stormwater-only parcels not yet billed pending confirmation of responsible account holders, accounting for approximately \$2.2M variance between budget and projection.
- B.** Interest income projected to exceed budget due to year-to-date interest rate of 3.65% vs. budget assumption of 2.0%, as well as higher cash balances than assumed.
- C.** Miscellaneous income is forecasted to be higher than budget due to one-time revenue payments from UCSF and the Warriors as part of their contribution to the construction of the Mariposa Pump Station.
- D.** Includes federal subsidy on 525 Golden Gate COPs.

#### **Expenditure Variances**

- E.** Salary savings reflect vacant positions.
- F.** Debt service variance mainly due to the issuance of the 2024 Series B refunding of 2018 Series B, and 2023 Series B and defeasance of the 2021 Series A Notes and 2021 Series B Notes.
- G.** \$0.6M in general reserve.
- H.** Expected legal settlements.

#### **Other Notes**

- I.** Calculated as Ending Available Fund Balance (including additions to General Reserve) as a percent of Operating Uses plus Facilities Maintenance/Programmatic Uses. SFPUC's Fund Balance Reserve Policy requires this to be within a range of 25-68%.
- J.** Additional expenses that are included in debt service calculations are not shown in this operating fund report.
- K.** Calculated as ratio between (a) Total Sources plus Beginning Available Fund Balance plus Capacity Charges, less Operating Uses less Facilities Maintenance/Programmatic (excluding all revenues and expenses related to the 525 Golden Gate COPs), and (b) Debt Service. The Indenture requires this ratio to be a minimum of 1.25 times, and SFPUC's Debt Service Coverage Policy requires this ratio to be a minimum of 1.35 times.
- L.** Calculated as ratio between (a) Total Sources plus any appropriated fund balance plus Capacity Charges, less Operating Uses less Facilities Maintenance/Programmatic (excluding all revenues and expenses related to the 525 Golden Gate COPs), and (b) Debt Service. SFPUC's Debt Service Coverage Policy requires this ratio to be a minimum of 1.10 times.

**Appendix C**

**HETCH HETCHY WATER & POWER OPERATING FUNDS**  
**FY 2024-25 3rd Quarter - Budgetary Basis - 24970, 24980, 24990, 25000 & 25354**  
**(\$ Millions)**

	FY 2024-25				
	FY 2023-24 Actuals	Original Budget	Revised Budget <small>(includes carryforwards)</small>	Projection <small>(current year spending)</small>	Variance <small>(Projection vs Revised Budget)</small>
<b>Sources</b>					
Electric Sales - Retail	188.3	210.7	217.3	198.3	(19.0) <b>A</b>
Electric Sales - Wholesale	42.3	18.9	16.7	26.3	9.7 <b>B</b>
Water Sales - Transfer from Water Department	46.3	49.2	49.2	49.2	-
Natural Gas & Steam - City Work Orders	16.3	28.5	28.5	21.3	(7.2) <b>C</b>
Interest Income	10.3	4.4	4.4	8.6	4.2 <b>D</b>
Federal Interest Subsidy - Power Bonds	0.1	0.1	0.1	0.1	-
Miscellaneous Income	5.2	5.3	5.3	5.6	0.4 <b>E</b>
Appropriated/Budgeted Use of Fund Balance	35.4	28.7	117.0	117.0	-
<b>Total Sources</b>	<b>344.3</b>	<b>345.7</b>	<b>438.4</b>	<b>426.4</b>	<b>(12.0)</b>
<b>Operating Uses</b>					
Personnel	54.5	59.5	59.5	59.5	-
Non-Personnel Services	35.0	48.9	81.9	81.9	-
Power Purchases, Transmission Distribution & Related Charges	79.1	114.6	150.0	88.4	61.6 <b>F</b>
Natural Gas & Steam	16.3	23.7	31.0	21.3	9.7 <b>G</b>
Materials and Supplies	3.9	3.8	4.8	4.8	-
Equipment	1.8	2.5	9.2	9.2	-
Overhead (SFPUC Bureaus)	23.1	28.3	33.2	33.2	-
Services of Other Departments	7.5	9.8	9.4	9.4	-
Debt Service	3.8	10.5	10.5	10.5	-
General Reserve	6.9	0.6	0.6	-	0.6 <b>H</b>
<b>Total Operating Uses</b>	<b>231.9</b>	<b>302.2</b>	<b>390.2</b>	<b>318.3</b>	<b>72.0</b>
<b>Net Operating Results</b>	<b>112.4</b>			<b>108.1</b>	<b>59.9</b>
<b>Other Impacts to Operating Budget</b>					
	<b>FY 2023-24 Actuals</b>	<b>Current Year Transfers from Operating</b>	<b>Total Available Funds</b>	<b>Projection <small>(current &amp; future years spending)</small></b>	<b>Variance</b>
Facilities Maintenance/Programmatic	13.1	23.3	28.2	28.2	-
Capital projects	15.7	20.2	82.4	82.4	-
<b>Total Adjustments to Operating Fund Balance</b>	<b>28.7</b>	<b>43.5</b>	<b>110.6</b>	<b>110.6</b>	<b>-</b>
<b>Available Fund Balance as of Fiscal Year-End</b>	<b>217.6</b>				<b>248.8</b>
<b>Available Fund Balance, % of Operating Uses (I) 25-68%</b>	<b>90.2%</b>				<b>92.6%</b>
<b>Debt Service Coverage (Year-End Budgetary Basis) (J)</b>					
Indenture Basis (includes Available Fund Balance) (K) ≥ 1.35	64.97	21.56			19.61
Current Basis (L) ≥ 1.10	14.40	1.97			9.15

### **Revenue Variances**

- A. Retail sales are projected to be lower based on year to date volumes.
- B. Wholesale sales are higher than budget mainly due to higher resource adequacy sales offset by reduced sales from lower prices.
- C. Gas and steam sales below budget due to lower usage. Revenue reduction is offset by equivalent cost savings.
- D. Interest income above budget due to higher interest rates.
- E. Miscellaneous income is slightly above budget due to miscellaneous revenues and wholesale water revenue coming in higher than anticipated.

### **Expenditure Variances**

- F. Savings are due to lower projected power costs and higher generation saving \$12M in power purchases, \$5M in savings from Transmission costs, and \$3M in savings for Resource Adequacy. This is offset by \$1M increase in distribution costs. The remaining savings are a result of budgeted contingency and carryforward budget projected to be unspent.
- G. Gas and steam sales below budget due to lower usage. Revenue reduction is offset by equivalent cost savings.
- H. General Reserve was intentionally budgeted and planned to go unspent.

### **Other Notes**

- I. Calculated as Ending Available Fund Balance (including additions to General Reserve) as a percent of Operating Uses plus Facilities Maintenance/Programmatic Uses. SFPUC's Fund Balance Reserve Policy requires this to be within a range of 25-68%.
- J. Additional expenses that are included in debt service calculations are not shown in this operating fund report.
- K. Calculated as ratio between (a) Total Sources plus Beginning Available Fund Balance, less Operating Uses, less Facilities Maintenance/Programmatic (excluding all revenues and expenses related to the 525 Golden Gate COPs, Natural Gas and Steam and Treasure Island), and (b) Debt Service. The Indenture requires this ratio to be a minimum of 1.25 times, and SFPUC's Debt Service Coverage Policy requires this ratio to be a minimum of 1.35 times.
- L. Calculated as ratio between (a) Total Sources plus any appropriated fund balance, plus Capacity Charges, less Operating Uses less Facilities Maintenance/Programmatic, (excluding all revenues and expenses related to the 525 Golden Gate COPs, Natural Gas and Steam and Treasure Island), and (b) Debt Service. SFPUC's Debt Service Coverage Policy requires this ratio to be a minimum of 1.10 times.

**Appendix D**  
**CleanPowerSF**  
**FY 2024-25 3rd Quarter - Budgetary Basis - 24750, 24751, 24760, 24761, 24765 & 24870**  
**(\$ Millions)**

	FY 2024-25				
	FY 2023-24 Actuals	Original Budget	Revised Budget (includes carryforwards)	Projection (current year spending)	Variance (Projection vs Revised Budget)
<b>Operating Sources</b>					
Electric Sales - Green Product	326.3	411.7	411.7	347.0	(64.7)
Electric Sales - SuperGreen Product	29.4	37.1	37.1	59.6	22.5
Wholesale Sales	5.0	11.1	11.1	20.1	9.0
<b>Subtotal - Electric Revenues</b>	<b>360.7</b>	<b>459.9</b>	<b>459.9</b>	<b>426.7</b>	<b>(33.2) A</b>
Interest Income	0.3	3.1	3.1	5.2	2.0 B
Miscellaneous Income	0.0	-	-	0.1	0.1
Appropriated/Budgeted Use of Fund Balance		-	43.9	43.9	-
<b>Total Sources</b>	<b>361.0</b>	<b>463.1</b>	<b>507.0</b>	<b>475.9</b>	<b>(31.0)</b>
<b>Operating Uses</b>					
Personnel	6.4	8.7	8.7	8.7	-
Overhead	5.7	7.5	8.6	8.6	-
Non Personnel Services	8.7	10.9	12.7	12.7	-
Materials & Supplies	0.0	0.1	0.2	0.2	-
Power Purchases, Transmission Distribution & Related Charge	283.9	385.0	424.7	366.0	58.7 C
Services of Other Departments	4.0	1.9	2.5	2.0	0.5 D
Debt Service	-	-	-	-	-
General Reserve	32.7	40.5	40.5	-	40.5 E
<b>Total Operating Uses</b>	<b>341.4</b>	<b>454.7</b>	<b>497.8</b>	<b>398.1</b>	<b>99.7</b>
<b>Net Operating Results</b>	<b>19.6</b>			<b>77.8</b>	<b>68.7</b>
<b>Other Impacts to Operating Budget</b>					
	FY 2023-24 Actuals	Current Year Transfers from Operating	Total Available Funds	Projection (current & future years spending)	Variance
Programmatic	0.5	7.8	8.6	8.6	-
Capital Projects	1.5	0.6	4.4	4.4	-
<b>Total Adjustments to Operating Fund Balance</b>	<b>2.0</b>	<b>8.4</b>	<b>13.0</b>	<b>13.0</b>	<b>-</b>
<b>Available Fund Balance as of Fiscal Year-End</b>	<b>150.2</b>				<b>218.9 F</b>
<b>Available Fund Balance, % of Operating Uses (G) %</b>	<b>43.9%</b>				<b>53.8%</b>

**Revenue Variances**

A. Retail revenues are driven lower primarily by lower load (lower enrollment from commercial customers than expected) and lower-than-budgeted rates (12% budgeted vs 8.5% adopted), partially offset by higher wholesale revenues.

B. Interest income above budget due to higher interest rates.

**Expenditure Variances**

C. Savings are due to lower projected load, lower wholesale energy costs and carryforward budget projected to be unspent. Includes \$15M assumed contingency.

D. \$0.5M in savings expected from funding set aside for LAFCo.

E. General Reserve was intentionally budgeted and planned to go unspent to build reserves.

**Other Notes**

F. Available fund balance at fiscal year end is calculated within this report by taking beginning fund balance, less any fund balance budgeted to be used as a source, and adding the projected variances as well as project closeouts. As the CleanPowerSF Trust Fund is a continuing fund, amounts budgeted therein will automatically roll forward to the following year and will not be closed out to fund balance. As such, variances related to revenues, purchase of power, and general reserves will not close out to fund balance at the end of the year without manual intervention. However as those funds are not considered restricted and CleanPowerSF may choose to close them out to fund balance, we are presenting them here as part of fund balance.

G. Calculated as Ending Available Fund Balance as a percent of Operating Uses plus Facilities Maintenance/Programmatic Uses. Per SFPUC's Fund Balance Reserve Policy adopted in April 2022, CleanPowerSF is required to build its fund balance reserve to a minimum of 41% (150 days) and a target of 49% (180 days) of operating expenditures within three fiscal years (June 30, 2025) of Fiscal Year Ending 2022.