

Popular Annual
Financial Report
for the Fiscal
Year Ended
June 30, 2021



San Francisco
Water Power Sewer
Services of the San Francisco Public Utilities Commission

Respond Recover and Reimagine



San Francisco Public Utilities Commission

(as of date of publication)

Anson Moran, President
Newsha Ajami, Vice President

Sophie Maxwell, Commissioner
Tim Paulson, Commissioner

Message from Our General Manager



Dennis J. Herrera, SFPUC General Manager

Dear Customers and Stakeholders,

Despite the far-reaching impacts of the coronavirus pandemic in the past fiscal year, the SFPUC continued to provide our customers with high-quality, reliable water, power, and wastewater services 24 hours a day, seven days a week. We activated a business continuity plan at the outset of the pandemic to help the agency **respond** to the impacts of the pandemic, take steps to **recover**, and **reimagine** how we continue to deliver reliable water, power and wastewater services in a post-pandemic future.

Many of our staff were deployed as Disaster Service Workers to support COVID response efforts. During fiscal year 2020-21, the SFPUC provided 194 deployments to the City of San Francisco's COVID Command Center. One hundred and thirty employees served within the City's Covid Command Center, a critically important coordination point for agency resources to support emergencies.

SFPUC assets were also reassigned to support the city's overall response. Every Enterprise within our agency played a role in responding and recovering from the pandemic, and in reimagining how we will serve our customers in the future.

The Water Enterprise deployed temporary emergency manifolds for some of San Francisco's most vulnerable populations. To fulfill longer-term needs, the SFPUC worked with many agencies to identify and assess sites before installing permanent drink tap stations in San Francisco, and this work is ongoing. When there was a global supply chain shortage during the early days of the pandemic, the Water Quality team produced hand sanitizer. It also produced a disinfectant that reduced both paper towel use and the time needed to disinfect the facility.

The Power Enterprise made great strides in reimagining the customer experience. Hetch Hetchy Power launched a new billing system and an updated online portal for customers. The first 'solar plus battery' storage project was completed, promoting resiliency in the power grid and serving as a model for future installations. CleanPowerSF continued to make progress on its plan to provide affordable 100% renewable energy to all customers by 2025 – five years ahead of schedule. Importantly, the SFPUC continued its efforts to expand public power service in San Francisco, which will help deliver safe, reliable, clean power to new and existing customers. Through Hetch Hetchy Power, the SFPUC helped the City respond and recover from the financial challenges of the COVID-19 pandemic by saving its municipal customers a projected \$37 million in 2020 compared to the alternative offered by Pacific Gas & Electric. The SFPUC also provided

a 30 percent discount to qualifying Hetch Hetchy Power residential customers through the SFPUC's Emergency Community Assistance Program.

The Wastewater Enterprise continued to sample for SARS-CoV-2 fragments in wastewater, collaborating with the University of California, Berkeley and Stanford University. This work will contribute to the expanding field of wastewater epidemiology that will inform the use of these methods at the state and federal level.

In addition to providing customer assistance and bill relief programs, the SFPUC supported San Francisco's COVID-19 response by activating the Southeast Community Facility at 1800 Oakdale as a vaccination and testing site. More than 7,000 community members have received COVID vaccinations, testing, and social support services at the facility.

By prioritizing the ongoing maintenance and upgrades of our water, wastewater, and power infrastructure including the multi-billion-dollar, citywide Sewer System Improvement Program, the SFPUC supported financial resilience and economic recovery. We offered job training and contracting opportunities to the local community, kept people working, and made steady progress on improving our system. We continue to prioritize hiring local workers and apprentices to further support the communities we serve during these challenging times.

The SFPUC also continues to support the community in other ways. We broke ground on a 40,000-square-foot, state-of-the-art community center at 1550 Evans Avenue, which is being designed to be a hub for the local community to gather, learn, play, and grow.

Remote working was implemented Citywide in March 2020. To ensure operations could continue without disruption or interruption, the SFPUC analyzed resource needs, the distribution of remote work equipment, and other support our employees needed. As we work to recover from the pandemic, and return employees to the workplace, the SFPUC is reimagining the future of work.

We may not know what the future of work will look like, but we are examining various options, including those that could look very different than pre-pandemic. Regardless of how this will look, the health and safety of our employees will remain a top priority so we can continue to provide our customers with reliable, high-quality water, power, and wastewater services 24/7.

On behalf of the SFPUC, I am pleased to present the Popular Annual Financial Report for Fiscal Year 2020–21.



■ Water

We are the third largest municipal utility in California, serving 2.7 million residential, commercial, and industrial customers in the Bay Area. Approximately one-third of the water we provide is delivered to retail customers in San Francisco. The remaining two-thirds serves 26 wholesale agencies in Alameda, Santa Clara, and San Mateo Counties.

■ Power

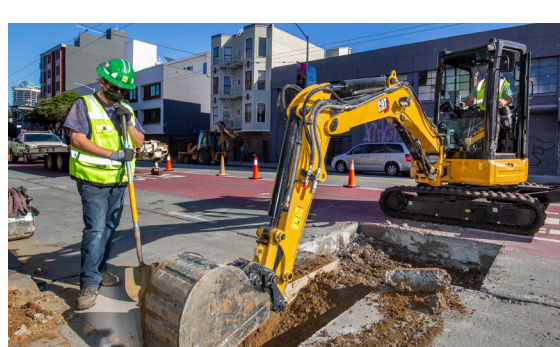
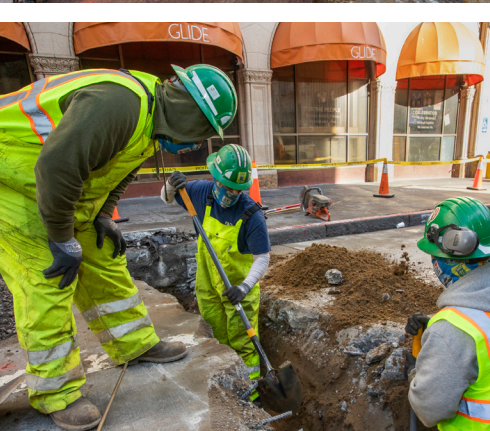
For 100 years, we have been generating greenhouse gas-free hydropower as our city's full-service, publicly owned electric utility. In 2016, we launched CleanPowerSF, a community choice aggregation program, to introduce even more renewable energy from sources like wind and solar to the electric grid. Collectively, the two systems meet more than 70 percent of the electricity demand in San Francisco.

■ Sewer

We operate and maintain the City's water pollution control plants, pumping stations and collection system to protect public health and the environment. We maintain 1,900 miles of sewer mains and lateral and 27 pump stations that collect sewage and storm water, moving the wastewater to the three treatment plants for treatment and discharge to the San Francisco Bay and Pacific Ocean.

Ensuring Access to Water During the Pandemic

Installation of lead-free, outdoor water bottle refilling stations ("tap stations") at 1850 Mission Street between 14th and 15th Street.



Temporary Emergency Manifolds

The public health crisis precipitated by the pandemic highlighted the critical importance of ensuring access to water to support the safety and well-being of our most vulnerable populations. As facilities providing traditional support services closed, unsheltered residents in the Tenderloin district of San Francisco needed reliable access to clean drinking water.

Our agency immediately deployed emergency water manifolds and staff to provide access to drinking water in the Tenderloin neighborhood and then extended the program to the Mission and Bayview neighborhoods. In partnership with the San Francisco Department of Public Works (SFPDW), the SFPUC co-located water manifolds with the SFPDW's Pit Stop Program locations offering public toilets. The SFPUC also continued to monitor and sanitize the manifolds.

Many San Francisco agencies and community partners identified additional locations that were later approved by the Emergency Operations Center to address the needs arising from the COVID-19 pandemic. These agencies included the Human Services Agency, the Department of Homelessness and Supportive Housing, SFPDW, and the City Distribution Division. Concurrently, the SFPUC and SFPDW worked with community organizations to distribute approximately 4,400 reusable water bladders to unsheltered individuals.

Permanent Drink Tap Stations

Because water manifolds only provided a temporary solution to a longer-term need, the SFPUC identified and assessed sites for drink tap stations. By late November 2020, 12 permanent drink tap stations were installed to increase water access throughout the City. As the installations were completed, the emergency manifolds were demobilized.

Ongoing Work

The SFPUC continues to coordinate with the city's Emergency Operations Center to provide equipment and staff to ensure water access.

Locations include pit stops in the Mission and Bernal Heights neighborhoods, as well as in the Tenderloin, Candlestick Point Park, and the Bayview neighborhoods. Through a partnership with the San Francisco Coalition on Homelessness, additional drink tap stations are being installed in the Tenderloin.

Funding options are being developed to support a two-year pilot tap station program, and the SFPUC aims to install three new drink tap stations a year.

Ensuring Water Quality and More

Leading up to and through the pandemic, the Water Quality Division continued to monitor the safety of regional water supply to ensure that all regulatory requirements were met. By managing the mix of telecommuting and onsite staff, and implementing onsite safety measures such as health screenings, disinfections, and distribution of personal protective equipment, the Water Quality team was able to meet its annual goals without experiencing a single case of COVID-19.

Hand Sanitizer and Disinfectant Production

The Water Quality team took three innovative actions as it transitioned through the respond, recover, and reimagine phases of the SFPUC's business continuity efforts. During the early months of the pandemic, when there was a global supply chain shortage, the team produced hand sanitizer in the Millbrae Drinking Water Laboratory. Laboratory chemists created the sanitizer using raw chemicals procured and maintained in their facilities. Shortly after, the same method was used to produce a food-grade ethyl alcohol-based surface disinfectant that was effective against COVID-19 and evaporated naturally. This approach reduced personnel labor hours required to disinfect the facility by half, while also reducing the use of paper towels. New personal protective equipment and supplies were widely distributed throughout the SFPUC.



Delivering a Clean Energy Future for Our Customers Today



Hetch Hetchy Power and CleanPowerSF continue to reimagine the customer experience and clean energy future of San Francisco.

Hetch Hetchy Power launched a new, modern billing system providing customers more timely and consistent billing and an updated online portal to facilitate customer payments while saving paper. The first 'solar plus battery storage' project was completed at the San Francisco Police Academy in Diamond Heights, promoting resiliency in the power grid and serving as a model for future installations. Hetch Hetchy Power also completed critical milestones on the Bay Corridor Transmission and Distribution project that will deliver a high voltage transmission and distribution system along San Francisco's eastern waterfront and provide clean energy to existing and future customers through the agency's own infrastructure.

CleanPowerSF continued to make progress on its plan to provide affordable 100% renewable energy to all customers by 2025 – five years ahead of schedule. The program has entered into power purchase agreements with new wind and solar projects in California that will provide enough electricity by committing to several new wind and solar projects in California to provide enough electricity to power the equivalent of over 430,000 average San Francisco homes. CleanPowerSF also began developing two new programs to provide qualifying low-income customers 100%

renewable energy at discounted rates to help ensure all San Franciscans have access to affordable, clean energy.

In January 2021, the SFPUC reduced CleanPowerSF rates to absorb a significant change to the fees PG&E charges customers of community choice aggregation programs, like CleanPowerSF. The 16% reduction in CleanPowerSF's rates softened the impact of this increase in PG&E's fees, which happened in the middle of the City's winter COVID-19 surge. The SFPUC utilized CleanPowerSF's rate stabilization reserve to balance its costs for the fiscal year and it initiated a series of rate actions to gradually bring CleanPowerSF's rates back to the cost of service and replenish the program's financial reserves. The SFPUC is conducting a cost of service study for CleanPowerSF and Hetch Hetchy Power and plans to set new rates in fiscal year 2022-23.

Finally, the SFPUC continued its efforts to expand public power service in San Francisco, which would help deliver safe, reliable, clean power to new and existing customers. The agency submitted a petition to the California Public Utilities Commission asking that a value be placed on PG&E's infrastructure in San Francisco. This a critical step in moving the municipal acquisition conversation forward and reimagining the future of electricity service in San Francisco.

Redevelopment Field Tour (Power Enterprise) of the Bay Corridor Transmission & Distribution (BCTD) project with SFPUC staff.



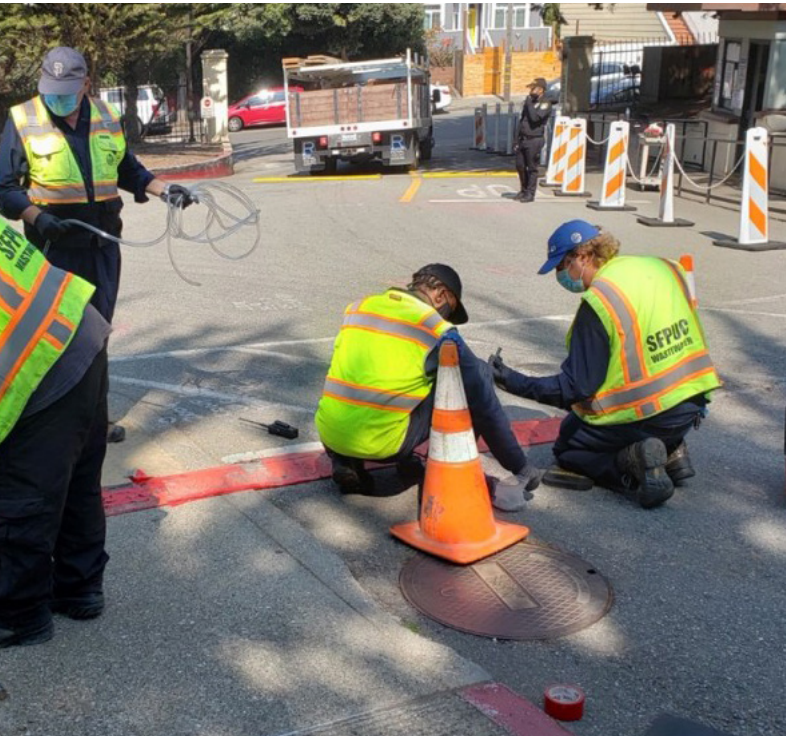
Protecting Public Health Through Wastewater Monitoring



Monitoring for SARS-CoV-2

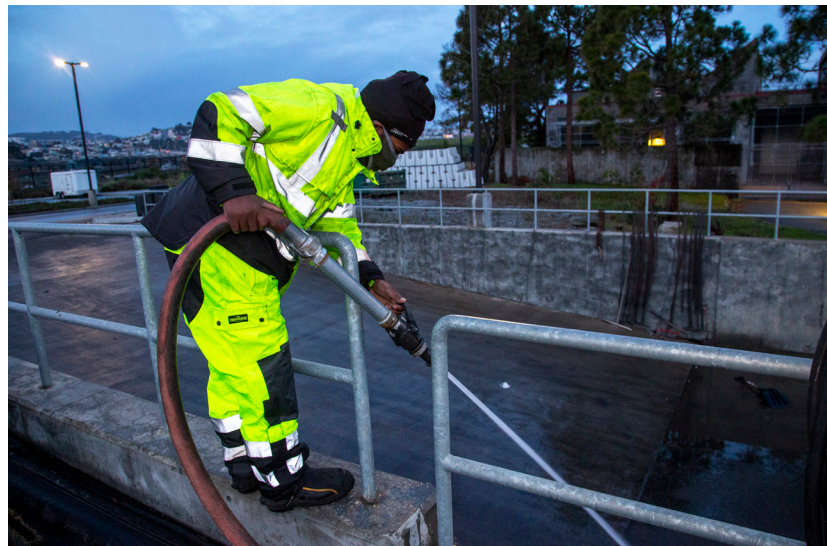
Starting in March of 2020, as the agency and the country worked to respond to the COVID-19 pandemic, the SFPUC began collaborating with research institutions in the San Francisco Bay Area working to identify fragments of SARS-CoV-2 genetic material in wastewater. The SFPUC has been providing researchers with wastewater samples for analysis of COVID-19 gene fragments. Although SARS-CoV-2 is inactive and not transmissible in wastewater, it is possible to track case load trends in a sewer service area by quantifying the amount of SARS-CoV-2 gene fragments (RNA remnants) present in wastewater.

The SFPUC's Field Monitoring Services group setting up equipment to sample wastewater.



By the fall of 2020, the SFPUC and their research partners had set up a robust monitoring program which, at its peak, was providing 25 samples a week from multiple locations in the sewer system including a large nursing facility. The monitoring continues to present day and provides data to local, state and federal health officials on infection trends.

The SFPUC's Wastewater Enterprise Field Monitoring Services group was able to leverage expertise of its personnel and resource equipment normally used for ensuring permit compliance, to that of a new critical role focused on wastewater-based epidemiology. The core function of the SFPUC's Wastewater Enterprise is to protect the health of the community and environment through the proper management of wastewater. The adaptability of the Field Monitoring Services group allowed the Wastewater Enterprise to help researchers rethink how wastewater can inform public health and ultimately protect the health of the communities the agency serves.



Serving our Communities and Supporting Financial Recovery

Construction of the new Southeast Community Center (SECC) at 1550 Evans Avenue, a hub for the local community to gather, learn, play, and grow.



Supporting COVID-19 Response With Vaccination and Testing

The Southeast Community Facility (SECF) is an asset owned by the City, and operated and maintained by SFPUC's Wastewater Enterprise for the benefit of the Bayview Hunters Point community. These facilities were constructed for the purpose of mitigating the adverse environmental and social impacts of constructing the Southeast Water Pollution Control Plant expansion projects during the 1970's and 1980's. The 7-member SECF Commission provides advice and recommendation on center operations and other relevant to the community. Over the past 40 years, thousands of community residents have looked to the SECF for resources to support their personal educational, health and wellness, childcare, and career objectives.

During the pandemic, the SECF was activated to support business continuity and a Citywide COVID response. To date, more than 7,000 community members have received COVID vaccinations, testing, and social support services at the facility.

SFPUC broke ground on the construction of the new Southeast Community Center (SECC) at 1550 Evans Avenue. This \$110 million investment will provide the Bayview-Hunters Point community with a new 40,000-square-foot, state-of-the-art community center that features beautiful event venues, affordable child care, office and programming space for non-profits, an onsite café and two acres of green space for community members to enjoy.

The SECC will be a hub for the local community to gather, learn, play, and grow, and serves as a connection between the community and SFPUC. The center will enrich its community by promoting the health and wellbeing, and cultural, political, educational, and financial empowerment of Bayview-Hunters Point residents.

Emergency Customer Assistance and Bill Relief Programs

From the onset of the pandemic, the SFPUC embarked on a series of bill relief programs to support its customers. We recognize the financially devastating impact the COVID-19 pandemic has on the most vulnerable populations, and rolled out emergency assistance programs for water, power and wastewater customers.

In May 2020, the SFPUC launched its Emergency Residential Customer Assistance Program for residential customers who were financially impacted as a result of COVID-19. Those with a pre-pandemic maximum household income under 200% of the San Francisco Area Median Income were eligible. The initiative offered utility discounts of 35% for sewer bills, 30% for Hetch Hetchy Power and CleanPowerSF bills and 15% for water bills to eligible customers. The program originally scheduled to end in Fall 2021, has been subsequently extended through the end of March 2022.

In July 2020, the SFPUC launched its Emergency Nonprofit and Small Business Assistance Program offering 20 percent discounts on sewer and water bills for small businesses and non-profits with



fewer than, 50 employees) that lost income as a result of the pandemic and shelter-in-place orders. The program has also been extended through March 2022.

The Emergency Residential and Small Business Assistance Programs have provided discounts totaling \$4.6 million to customers through the end of fiscal year 2020-21. Although the SFPUC has extended these emergency assistance programs as a short-term solution to the financial difficulties associated with the COVID-19 crisis, the agency is working to ensure its customers can benefit from new emergency assistance programs funded by state and federal dollars. The SFPUC is currently advocating at the federal level for long-term funding solutions to address affordability issues facing our customers.

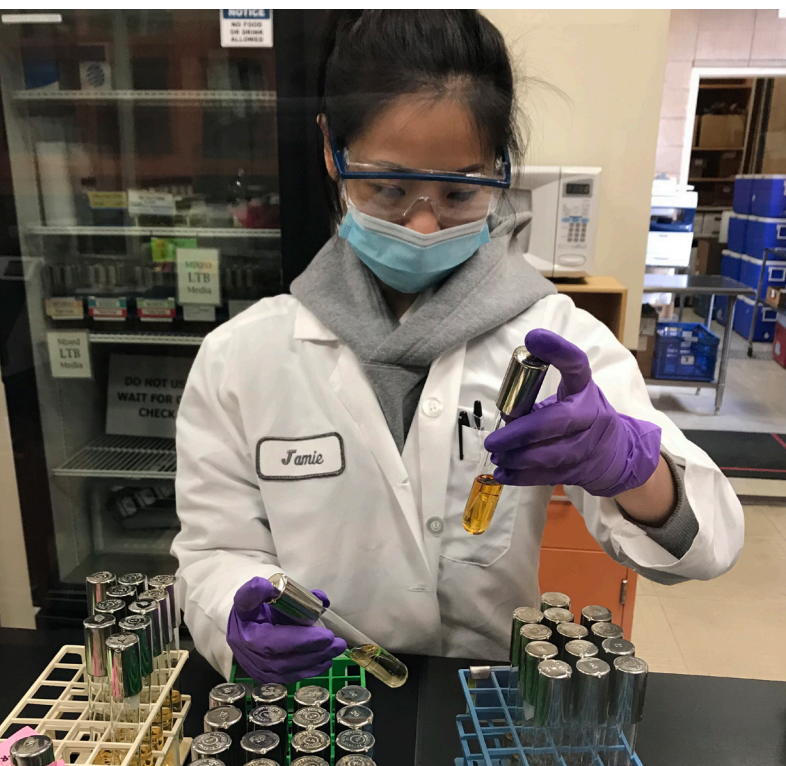
CleanPowerSF provided a one-time bill credit to eligible customers in October 2020. The relief program offered credits of \$50 for single-family homes, \$3,000 for multi-family residential buildings and \$750 for nonprofit or small commercial accounts—the equivalent to a month's worth of savings on the average customer's electricity bill. This initiative, part of a campaign to increase enrollment in low-income rate programs for electricity service, provided over \$2.8 million in discounts to over 50,000 CleanPowerSF customers.

Helping the City Respond and Recover from Financial Challenges

For over 100 years, we have generated greenhouse gas-free Hetch Hetchy Power to energize vital municipal services like City Hall, the San Francisco International Airport, public schools and libraries, as well as redeveloped areas like The Shipyard, affordable housing, and specific private developments. Additionally, the SFPUC owns and maintains approximately 25,000 or 60% of streetlights in the City.

Hetch Hetchy Power helped the City respond and recover from the financial challenges of the COVID-19 pandemic by saving its municipal customers a projected \$37 million in Calendar Year 2020 compared to the alternative offered by Pacific Gas & Electric (PG&E). In addition to providing much-needed bill relief to municipal customers, the public utility provided a 30% discount to qualifying Hetch Hetchy Power residential customers through the SFPUC's Emergency Community Assistance Program.

Concurrently with the pandemic response, Hetch Hetchy Power continued to reimagine our publicly owned utility through a series of successful



projects. One such project was the completion of our first solar plus storage installation at the San Francisco Police Department Academy in Diamond Heights. This new installation includes a storage component to build resiliency in our power grid. The project is located atop a carport and has 157kW of generating capacity, which is the site's typical daily energy use in the summertime, and 99kW/464kWh of battery storage capacity.

Hetch Hetchy Power's new billing system also went live in fiscal year 2021. Customers will notice more timely and consistent billing, a new paper-saving bill design, and an updated web portal. Those with multiple meters at the same location will be able to view consolidated accounts. The new billing system also has greater functionality for supporting our rate tariffs and programs and will support new features to be rolled out in the future.

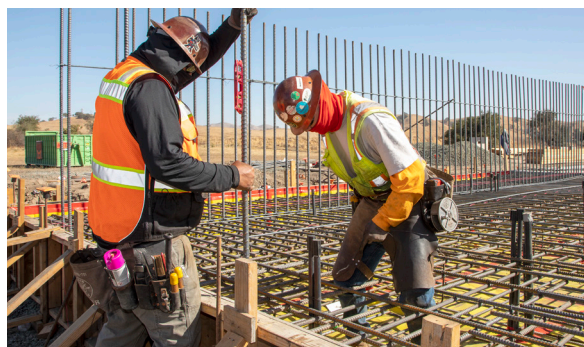
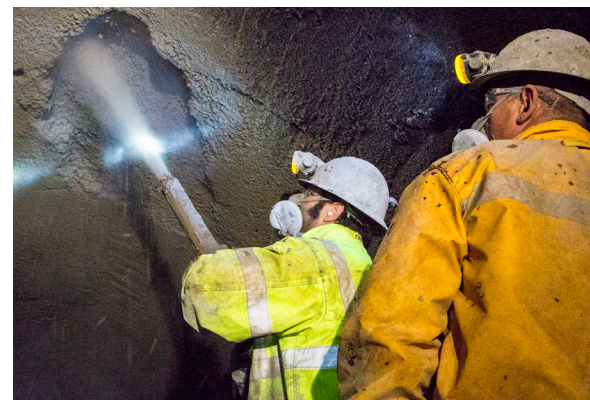
Finally, Hetch Hetchy Power partnered with the San Francisco Recreation and Parks Department to purchase and install over 400 light-emitting diodes (LEDs) for historic fixtures in Golden Gate Park. The warmer white light will better illuminate paths for visitors who enjoy the City's parks. On average, the LEDs consume 50% less energy than standard lightbulbs, resulting in an annual savings of 172,000 kilowatt-hours of energy for the Recreation and Parks Department.

Capital Projects: Supporting Financial Resilience and Economic Recovery

We prioritize the ongoing maintenance and upgrades of our water, wastewater, and power infrastructure so we can continue to provide high quality services to our customers despite the challenges posed by the ongoing pandemic.

The SFPUC reached major milestones in all of the three programs for major water asset improvement projects.

- Our Water System Improvement Program is 99% complete. The Alameda Creek Recapture Project began construction this fiscal year, and crews began start up testing of four new Regional Groundwater Storage and Recovery Project Wells.
- As part of the Water Enterprise Capital Improvement Program, construction of the Alameda Creek Watershed Center continued to make progress. Within San Francisco, crews replaced 8.5 miles of aging water transmission pipeline.
- Major construction began on the Hetch Hetchy Capital Improvement Program's Mountain Tunnel Improvements Project this year.



Keeping Our Water Rates Affordable

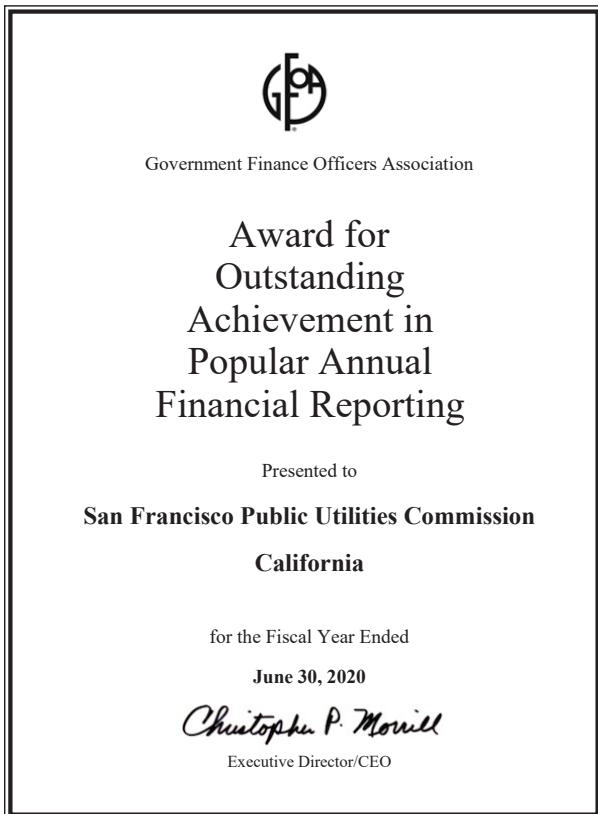
Single-Family Residential FY 2020-21

Monthly Usage (ccf).....	5.40
Average Monthly.....	\$138.49
Cost per Person/Day.....	\$1.96
Total Cost per Gallon.....	\$0.034
Total Combined Bill as % of San Francisco Median Household Income....	1.48%

Calculation is based on the average monthly water usage

Financial Performance

Since 2010, this report has won the prestigious “Award for Outstanding Achievement in Popular Annual Financial Reporting” from the Government Finance Officers Association.



This award recognizes our commitment to increase public awareness by providing an overview of our financial condition. The financial information for this report is drawn from the audited financial statements in the **SFPUC’s Fiscal Year 2021 Annual Comprehensive Financial Report (ACFR)**, using the full accrual basis of accounting and providing complete financial information and disclosures in conformance with generally accepted accounting principles (GAAP). The PAFR is not audited and is presented on a non-GAAP basis as note disclosures have been excluded in the report. Our ACFR, which provides complete financial information and disclosures in conformance with GAAP, is available online at sfpuc.org/about-us/reports.

Credit Ratings 2021 2020 2019

Water

Standard & Poor’s.....	AA-	AA-	AA-
Moody’s Investors Service.....	Aa2	Aa2	Aa3
Average Borrowing Rate*.....	3.29%	3.48%	3.63%

Power

Fitch.....	AA-	AA-	AA-
Standard & Poor’s.....	AA	AA	AA
Average Borrowing Rate*.....	3.59%	3.49%	3.44%

Sewer

Standard & Poor’s.....	AA	AA	AA
Moody’s Investors Service.....	Aa2	Aa2	Aa3
Average Borrowing Rate*.....	3.42%	3.42%	3.37%

CleanPowerSF

Moody’s Investors Service.....	A2	N/A	N/A
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The SFPUC’s high credit ratings help to reduce borrowing costs.

*Average Borrowing Rate: Weighted average interest rate on outstanding bonds as of 6/30/21.

The **Comparative Consolidated Net Position** provide information about the nature and amount of resources and obligations at a specific point in time. SFPUC continued to reflect a strong and healthy financial condition over the last several fiscal years. Investments in capital assets constituted 83% of our net position and represented the amount by which the carrying value of capital assets exceeds capital-related debt, which comprises the outstanding

balances of any bonds, commercial paper, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. For FY2021, SFPUC net position increased by 1% or \$34M as compared to FY2020, mainly due to increase in net investment in capital assets and restricted for debt services.

There are five components in the Statement of Net Position, which is intended to present what the entity owns (assets), owes (liabilities) and its residual or net position.

1. Assets are resources with present service capacity that the government presently owns or controls.
2. Deferred outflow of resources is a consumption of net assets by the government that is applicable to a future reporting period—for example, amortization of refunding loss to future periods.
3. Liabilities are present obligations to sacrifice resources that the government has little or no discretion to avoid, such as debts owed, and represent claims against assets.
4. Deferred inflow of resources is an acquisition of net assets by the government that is applicable to a future reporting period—for example, amortization of net difference in pension projected versus actual earnings.
5. Net position is the residual of all other elements presented in a Statement of Net Position, i.e., the residual interest in the items owned or controlled after deducting debts. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or worsening.

The **Comparative Revenues and Expenses** reflected continued revenue growth. SFPUC strives to achieve strong financial performance and effectively controls its operating costs to not exceed revenues.

The decrease in total revenues, transfers in and capital contributions by \$111M is mainly due to \$61M prior year one time gain from property transfer, \$44M lower billings due to COVID-19 emergency proclamation issued by the City's Mayor suspending collection of past due accounts, and \$33M from lower interest income. The total decrease is offset

by \$23M transfer in mainly for the Emergency Firefighting Water System project and \$4M capital contribution from Department of Public Works for the water pipeline assets.

Total expenses and transfers out increased by \$99M, as compared to prior year. This was primarily due to increase of \$101M in operating expenses related to \$51M in general administrative and other for higher capital project expenses and judgement and claims based on actuarial estimates, \$15M in personnel services due to cost of living adjustments, pension and other post-employment benefits obligations based on actuarial reports, \$12M in services provided by other departments, \$11M in depreciation expense, \$10M in purchase and power distribution, and \$2M in construction cost. The total increase is offset by \$2M in interest expenses, net of premium, discount, refunding loss, and issuance costs, non-operating expenses and transfers out.

Definitions

- **Capital Assets:** Include depreciable, amortizable, non-amortizable and non-depreciable facilities and buildings, improvement, machinery and equipment, intangible assets, land and rights-of-way as well as construction work in progress, net of depreciation and amortization.
- **Current and Other Assets:** Assets easily converted to cash or consumed within one year: cash, investments, receivables, and prepaid expenses.
- **Long-term Debt Outstanding:** Payments due on debt that are more than 12 months in the future.
- **Current Liabilities:** Payments due on obligations owed by SFPUC within the next 12 months.
- **Net Position:** Total assets and deferred outflows of resources, less total liabilities and deferred inflows of resources.
- **Change in Net Position:** The total of net income (loss), net of transfers, and cumulative effect of accounting change.
- **Income (Loss):** The difference between total revenues less total expenses.

Definitions continued

- Depreciation and Amortization Expense:**
 Depreciation spreads out the cost of a tangible asset over its useful life, and amortization is the deduction of intangible assets over a specified time period; typically the life of an asset.
- Non-operating Revenues and Expenses:**
 Revenues and expenses that are incidental to SFPUC's main purpose and derived from activities not directly related to SFPUC's operations such as: license fees and penalties, interest earnings and costs associated with debt.
- Operating Expenses:** Expenses incurred in the provision of water, sewer, and power services.
- Operating Revenues:** Revenues for the sale of water, sewer, and power services to customers, services, inspections, and programs provided by SFPUC.
- Transfers in:** Funds recovered from other city departments to support various programs and projects.
- Transfers out:** Funds provided to other city departments to support various programs and projects.

SFPUC 2021 By the Numbers

Miles	1,719 miles of water mains, 1,125 miles of collection system pipes
Millions of gallons (MG) ..	73,767 MG water production, 68,812 MG water consumption
Millions of gallons per day (MGD)	189.5 MGD water consumption, 63.8 MGD sewer treatment
San Francisco Population .	851,916
San Francisco Personal Income per Capita	\$173,097
SFPUC Website	sfpuc.org

A Closer Look at the Numbers

SFPUC assets increased by \$604M or 5.6%, mainly due to \$665M additional construction and capital improvements, and \$7M higher receivables related to charges for services, receivables from other government entities and interest income offset by a decrease of \$68M in restricted cash and investments mainly related to higher capital spending.

SFPUC Assets (DOLLARS IN MILLIONS)

Fiscal Year	2021	2020	Change
Cash & Investments	\$ 1,287	1,355	(68)
Charges for Services Receivables (net of allowance for doubtful accounts)	137	132	5
Capital Assets	9,864	9,199	665
Others	131	129	2
Total Assets	\$ 11,419	10,815	604

SFPUC liabilities increased by \$633M or 7.6%. The increases included \$541M in outstanding debts due to issuance, and \$92M in other liabilities including amounts due to various city and government entities, net pension liability and other post-employment benefits, and restricted payables.

SFPUC Liabilities (DOLLARS IN MILLIONS)

Fiscal Year	2021	2020	Change
Certificates of Participation .	\$ 138	142	(4)
Commercial Papers	859	634	225
Bonds	6,631	6,366	265
State Revolving Fund Loans .	216	161	55
Others	1,123	1,031	92
Total Liabilities	\$ 8,967	8,334	633

Financials at a Glance

SFPUC By the Numbers (DOLLARS IN MILLIONS, UNLESS OTHERWISE STATED)

	Water	Wastewater	Hetchy Water	Hetchy Power	CleanPowerSF	SFPUC
Standard & Poor's Bond Rating	AA-	AA	N/A	AA	N/A	N/A
Moody's Investors Service	Aa2	Aa2	N/A	N/A	N/A	N/A
Fitch	N/A	N/A	N/A	AA-	N/A	N/A
Current Ratio	1.78 times	0.42 times	5.74 times	1.41 times	6.98 times	1.05 times
Debt Ratio	93.4%	68.0%	21.6%	37.7%	26.8%	78.5%
Debt Service Coverage	1.88	3.73	N/A	13.31	N/A	N/A
Total Assets	\$ 6,320.1	3,961.6	275.6	741.3	121.3	11,419.9
Deferred Outflows of Resources	\$ 257.6	45.4	11.5	14.1	1.2	329.8
Total Liabilities	\$ 5,901.9	2,695.1	59.4	279.2	32.5	8,967.4
Deferred Inflows of Resources	\$ 26.2	9.4	3.1	3.8	3.0	45.5
Net Position	\$ 649.5	1,302.6	224.7	472.5	87.1	2,736.3
Number of Customer Accounts	176,246	174,356	5	5,385	384,332	740,324
Capital Budget	\$ 132.1	170.9	43.5	50.8	1.9	399.2
Adopted Annual Operating Budget	\$ 612.5	385.8	87.9	121.2	226.5	1,433.9

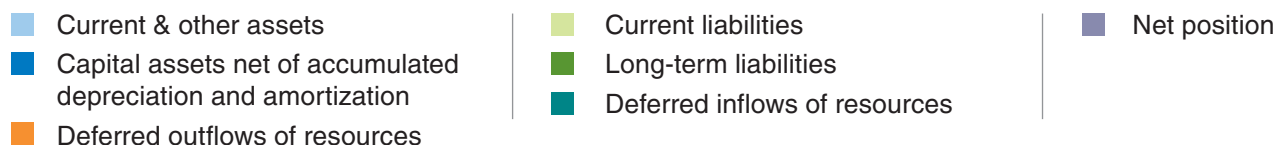
Credit ratings and debt service coverage are only applicable to outstanding debt.

Definitions

- **Current Ratio** measures the enterprise's ability to pay short-term obligations with its current assets. It is defined as current assets divided by current liabilities.
- **Debt Ratio** measures how much of the enterprise's assets are financed by debt. It is defined as total liabilities divided by total assets.
- **Debt Service Coverage** measures the enterprise's ability to meet both legal and policy-driven revenue obligations associated with debt. To ensure that the SFPUC retains financial flexibility for contingencies, it has adopted and implemented financial policies that impose higher standards than the bond indenture minimum debt service coverage requirements of 1.00x (current) and 1.25x (indenture).

Five-Year Comparative Consolidated Net Position

(DOLLARS IN MILLIONS)



2021



\$11,748

Total assets and deferred outflows of resources



\$9,012

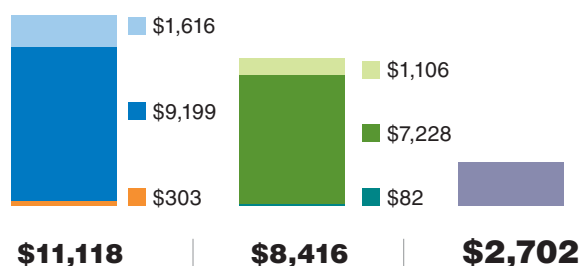
Total liabilities and deferred inflows of resources



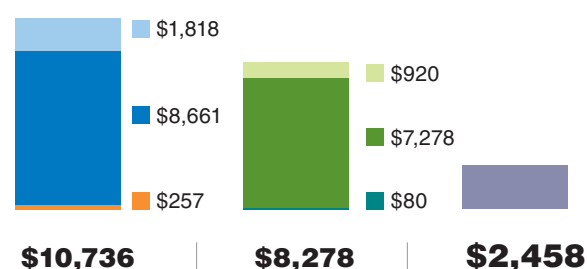
\$2,736

Total net position

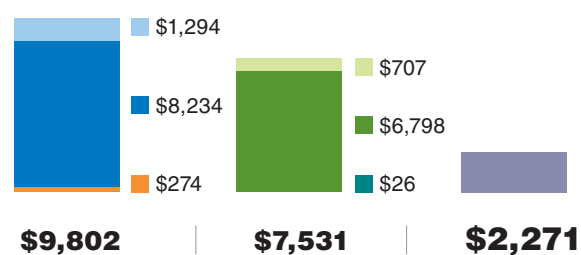
2020



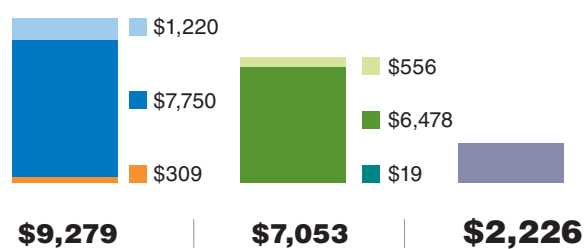
2019



2018



2017



Five-Year Comparative Revenues and Expenses

(DOLLARS IN MILLIONS)

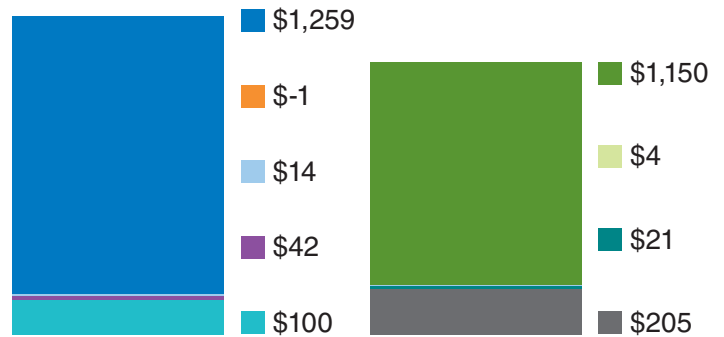
Revenues, Transfers in & Capital Contributions

- Charges for services
- Interest and investment (loss) income
- Rents & concessions
- Transfers in and capital contribution
- Others

Expenses & Transfers out

- Operating expenses
- Non-operating expenses
- Transfers out
- Interest expenses, amortization of premium, discount, refunding loss & issuance costs

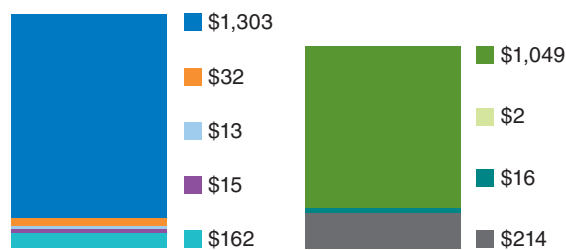
2021



\$1,414
Total Revenues, Transfer In and Capital Contribution

\$1,380
Total Expenses & Transfers Out

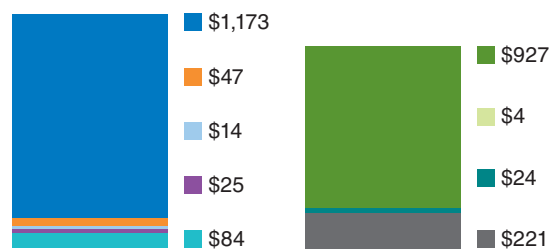
2020



\$1,525

\$1,281

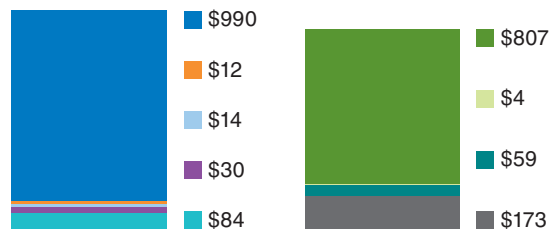
2019



\$1,343

\$1,156

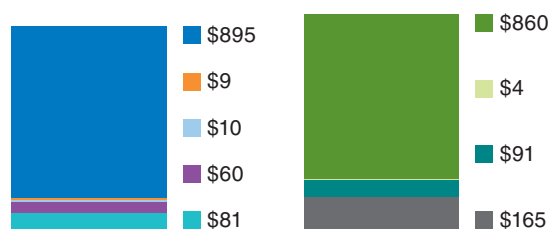
2018



\$1,130

\$1,043

2017



\$1,055

\$1,120



San Francisco Public Utilities Commission
A Department of the City and County of
San Francisco, California

Photos by: Katherine Du Tiel, Megan Tran, Robin Scheswohl,
Sabrina Wong

如果您需要中文翻譯, 請致電: (415) 554-3289.

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tumawag lamang po sa (415) 554-3289.

SFPUC Communications Division
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Financial Services
525 Golden Gate Avenue, 4th Floor
San Francisco, CA 94102-3220
sfpuc.org

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Our Mission

To provide our customers with high-quality, efficient and reliable water, power, and sewer services in a manner that values environmental and community interests, and sustains the resources entrusted to our care.

