



February 18, 2016

TO: Marin Clean Energy Board

FROM: David McNeil, Finance and Project Manager
Mike Maher, Maher Accountancy

RE: Monthly FY 15/16 Budget Report (Agenda Item #05 – C.3)

ATTACHMENT: MCE Budget Reports 2015-12 (Unaudited)

Dear Board Members:

SUMMARY:

The attached budget update compares the FY 2015/16 budget to the unaudited revenue and expenses of MCE for the month ending December 2015.

OPERATING BUDGET:

Year-to-date revenues continue slightly over budget by approximately 1.5%, with cost of energy at levels under budget by approximately 5%. Operating expenditures are generally below anticipated year-to-date levels, but much of this will be smoothed as the year continues. In the January 21, 2016 Board meeting, a Budget Amendment was approved. This staff report presents the year-to-date figures through December 31, 2015, and so does not reflect the subsequent budget amendment.

Overall, MCE continues to spend near projections, as reflected in year-to-date figures.

ENERGY EFFICIENCY PROGRAM BUDGET:

The Energy Efficiency Program is entirely funded by the California Public Utilities Commission. For financial reporting purposes, MCE treats funds received from this program as a reimbursable grant. The result is that program expenses are offset by revenue. A deferred asset is recorded for funds received by the CPUC that have yet to be expended by MCE.

In FY 2015/16, Energy Efficiency (EE) revenue is being recognized to offset \$52,784 of prior year EE "planning" expenses not originally intended to be provided for by EE grant funds. The \$52,784 2015/16 "increase" in fund balance equals the prior year "decrease" in fund balance. There is no cumulative effect on fund balance.

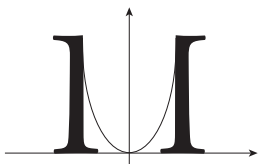
LOCAL DEVELOPMENT RENEWABLE ENERGY BUDGET:

This program is funded through a portion of the Deep Green service provided to customers. To date, expenses primarily relate to legal and consulting costs associated with establishing a local renewable energy project.

RENEWABLE ENERGY RESERVE BUDGET:

This fund is intended for the procurement or development of renewable energy not planned for in the operating funds. Resources may accumulate from year to year and be expended as management determines.

Recommendation: No action needed. Informational only.



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Marin Clean Energy

Management is responsible for the accompanying special purpose budgetary comparison statement of Marin Clean Energy (a California Joint Powers Authority) as of December 31, 2015. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the special purpose budgetary comparison statement, they might influence the user's conclusions about the Authority's results of operations. Accordingly, this special purpose budgetary comparison statement is not designed for those who are not informed about such matters.

The supplementary information contained on page 4 is presented for purposes of additional analysis. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

Certain accounting functions provided by Maher Accountancy are considered management functions by the American Institute of Certified Public Accountants. Accordingly, we are not independent with respect to Marin Clean Energy.

Maher Accountancy

San Rafael, CA
January 19, 2016



MARIN CLEAN ENERGY
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2015 through December 31, 2015

	<u>Actual from April 1, 2014 through December 31, 2014</u>	<u>2015/16 YTD Budget (Amended)</u>	<u>2015/16 YTD Actual</u>	<u>2015/16 YTD Budget Variance (Under) Over</u>	<u>2015/16 YTD Actual/Budget %</u>	<u>2015/16 Annual Budget (Amended)</u>	<u>2015/16 Budget Remaining</u>
REVENUE AND OTHER SOURCES:							
Revenue - Electricity (net of allowance)	\$ 75,097,634	112,849,677	\$ 114,461,924	\$ 1,612,247	101.43%	\$ 145,933,098	\$ 31,471,174
Other revenues	42,463	-	448,532	448,532	-	-	-
Total sources	<u>75,140,097</u>	<u>112,849,677</u>	<u>114,910,456</u>	<u>2,060,779</u>	<u>101.83%</u>	<u>145,933,098</u>	<u>31,471,174</u>
EXPENDITURES AND OTHER USES:							
CURRENT EXPENDITURES							
Cost of energy	62,378,692	97,169,059	92,308,367	(4,860,692)	95.00%	129,522,715	37,214,348
Staffing	1,480,210	2,185,950	2,197,940	11,990	100.55%	2,964,000	766,060
Technical consultants	375,477	486,404	464,271	(22,133)	95.45%	629,000	164,729
Legal counsel	252,198	270,000	267,257	(2,743)	98.98%	360,000	92,743
Communications consultants and related expenses	436,510	563,250	516,169	(47,081)	91.64%	751,000	234,831
Data manager	1,951,871	2,146,500	2,144,336	(2,164)	99.90%	2,862,000	717,664
Service fees- PG&E	506,799	690,750	636,227	(54,523)	92.11%	921,000	284,773
Other services	244,887	313,500	313,237	(263)	99.92%	418,000	104,763
General and administration	283,396	246,750	187,126	(59,624)	75.84%	329,000	141,874
Occupancy	-	195,000	157,020	(37,980)	80.52%	260,000	102,980
Integrated Demand side pilot programs	-	37,500	10,190	(27,310)	27.17%	50,000	39,810
Marin County green business program	-	10,000	-	(10,000)	0.00%	10,000	10,000
Solar rebates	-	14,000	4,000	(10,000)	0.00%	35,000	31,000
Total current expenditures	<u>67,910,040</u>	<u>104,328,663</u>	<u>99,206,140</u>	<u>(5,122,523)</u>	<u>95.09%</u>	<u>139,111,715</u>	<u>39,905,575</u>
CAPITAL OUTLAY	18,695	136,500	154,557	18,057	113.23%	150,000	(4,557)
DEBT SERVICE *	895,409	2,080,000	2,147,718	67,718	103.26%	2,080,000	(67,718)
INTERFUND TRANSFER TO:							
Renewable Energy Reserve Fund	-	1,000,000	1,000,000	-	100.00%	1,000,000	-
Local Renewable Energy Development Fund	109,994	151,383	151,383	-	100.00%	151,383	-
Total expenditures	<u>68,934,138</u>	<u>107,696,546</u>	<u>102,659,798</u>	<u>\$ (5,036,748)</u>	<u>95.32%</u>	<u>142,493,098</u>	<u>\$ 39,833,300</u>
Net increase (decrease) in available fund balance	<u>\$ 6,205,959</u>	<u>\$ 5,153,132</u>	<u>\$ 12,250,658</u>	<u>\$ 7,097,526</u>		<u>\$ 3,440,000</u>	<u>\$ (8,362,126)</u>

* Debt Service includes fees related to a Line of Credit and a Letter of Credit issued during the 2015/16 year.

**MARIN CLEAN ENERGY
ENERGY EFFICIENCY PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2015 through December 31, 2015**

	<u>Budget</u>	<u>Actual</u>	<u>Budget Remaining</u>	<u>Actual/ Budget</u>
REVENUE AND OTHER SOURCES:				
Public purpose energy efficiency program	\$ 1,505,702	\$ 1,299,431	\$ 206,271	86.30%
EXPENDITURES AND OTHER USES:				
CURRENT EXPENDITURES				
Public purpose energy efficiency program	<u>1,505,702</u>	<u>1,246,647</u>	<u>259,055</u>	<u>82.80%</u>
Net increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ 52,784</u>		

**LOCAL RENEWABLE ENERGY DEVELOPMENT FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2015 through December 31, 2015**

	<u>Budget</u>	<u>Actual</u>	<u>Budget Remaining</u>	<u>Actual/ Budget</u>
REVENUE AND OTHER SOURCES:				
Transfer from Operating Fund	\$ 151,383	\$ 151,383	\$ -	100.00%
EXPENDITURES AND OTHER USES:				
Capital Outlay	<u>151,383</u>	<u>81,115</u>	<u>70,268</u>	<u>53.58%</u>
Net increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ 70,268</u>		

**RENEWABLE ENERGY RESERVE FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2015 through December 31, 2015**

	<u>Budget</u>	<u>Actual</u>	<u>Budget Remaining</u>	<u>Actual/ Budget</u>
REVENUE AND OTHER SOURCES:				
Transfer from Operating Fund	\$ 1,000,000	\$ 1,000,000	\$ -	100.00%
EXPENDITURES AND OTHER USES:				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in fund balance	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>		

See accountants' compilation report.

MARIN CLEAN ENERGY
BUDGETARY SUPPLEMENTAL SCHEDULE
April 1, 2015 through December 31, 2015

	Actual
Other services	
Audit	\$ 35,500
Accounting	116,660
IT Consulting	55,323
Human resources & payroll fees	5,699
Legislative consulting	67,500
Miscellaneous professional fees	32,555
	\$ 313,237
	\$ 313,237
 General and administration	
Cell phones	\$ 672
Data and telephone service	24,551
Insurance	7,169
Office and meeting rentals	3,156
Office equipment lease	4,093
Dues and subscriptions	44,657
Conferences and professional education	17,917
Travel	16,282
Business meals	5,901
Office supplies and postage	62,728
	\$ 187,126
	\$ 187,126

See accountants' compilation report.