



## ACCOUNTANTS' COMPILATION REPORT

Management  
Marin Clean Energy

Management is responsible for the accompanying financial statements of Marin Clean Energy (a California Joint Powers Authority) which comprise the statement of net position as of July 31, 2016, and the related statement of revenues, expenses, and changes in net position, and the statement cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America. 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 statements 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 these financial statements.

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 financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained on page 6 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

*Maher Accountancy*

San Rafael, CA  
August 18, 2016



**Marin Clean Energy**  
**Statement of Net Position**  
**As of July 31, 2016**

**ASSETS**

Current assets	
Cash and cash equivalents	\$ 20,128,964
Accounts receivable, net of allowance	15,505,516
Other receivables	239,202
Accrued revenue	7,952,269
Prepaid expenses	620,700
Other current assets and deposits	6,500
Total current assets	44,453,151
Noncurrent assets	
Capital assets, net of depreciation	581,626
Restricted cash	2,747,500
Other noncurrent assets and deposits	272,852
Total noncurrent assets	3,601,978
Total assets	48,055,129

**LIABILITIES**

Current liabilities	
Accounts payable	775,768
Accrued cost of electricity	11,655,746
Other accrued liabilities	365,360
User taxes and energy surcharges due to other governments	888,111
Advances from grantors	1,532,455
Total current liabilities	15,217,440

**NET POSITION**

Net position	
Net investment in capital assets	581,626
Restricted for line of credit collateral	2,197,440
Unrestricted	30,058,623
Total net position	\$ 32,837,689

**Marin Clean Energy**  
**Statement of Revenues, Expenses**  
**and Changes in Net Position**  
**April 1, 2016 through July 31, 2016**

**OPERATING REVENUES**

Electricity sales, net	\$ 51,360,464
Grant revenue for Energy Efficiency Program	269,314
Other revenue	31,190
Total operating revenues	51,660,968

**OPERATING EXPENSES**

Cost of electricity	44,190,781
Contract services	2,385,118
Staff compensation	1,463,015
General and administration	273,317
Depreciation	29,308
Total operating expenses	48,341,539
Operating income	3,319,429

**NONOPERATING REVENUES (EXPENSES)**

Interest income	19,705
Loan fee expense	(32,515)
Total nonoperating revenues (expenses)	(12,810)

**CHANGE IN NET POSITION**

	3,306,619
Net position at beginning of period	29,531,070
Net position at end of period	\$ 32,837,689

**Marin Clean Energy**  
**Statement of Cash Flows**  
**April 1, 2016 through July 31, 2016**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from electricity retail sales	\$	45,461,849
Grant receipts from Energy Efficiency Program		891,811
Tax and surcharge receipts from customers		1,408,843
Cash received from other revenue sources		24,279
Cash payments to purchase electricity		(43,377,181)
Cash payments for contract services		(2,169,588)
Cash payments for staff compensation		(1,454,373)
Cash payments for general and administration		(277,094)
Tax and surcharge payments to other governments		(1,448,283)
Net cash provided (used) by operating activities		(939,737)

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

Payments of financing reserve		(540,836)
Loan fee expense		(32,515)
Net cash provided (used) by non-capital financing activities		(573,351)

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Acquisition of capital assets		(72,042)
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest income		17,145
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Net change in cash and cash equivalents		(1,567,985)
Cash and cash equivalents at beginning of year		21,696,949
Cash and cash equivalents at end of period	\$	20,128,964

**Marin Clean Energy**  
**Statement of Cash Flows (continued)**  
**April 1, 2016 through July 31, 2016**

**RECONCILIATION OF OPERATING INCOME TO NET  
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income	\$ 3,319,429
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	29,308
(Increase) decrease in net accounts receivable	(3,287,930)
(Increase) decrease in other receivables	289,016
(Increase) decrease in accrued revenue	(2,595,661)
(Increase) decrease in prepaid expenses	640,673
(Increase) decrease in other assets and deposits	56,429
Increase (decrease) in accounts payable	121,740
Increase (decrease) in accrued cost of electricity	154,848
Increase (decrease) in other accrued liabilities	60,306
Increase (decrease) in user taxes due to other governments	(39,440)
Increase (decrease) in advances from grantor	311,545
Net cash provided (used) by operating activities	<u>\$ (939,737)</u>

**Marin Clean Energy**  
**Statement of Activity - Actual and Planned**  
**One Month and Fiscal Year-to-Date Through July 31, 2016**

	<b>ONE MONTH</b>				<b>FISCAL YEAR-TO-DATE</b>			
	<b>Actual</b>	<b>Plan</b>	<b>\$ Over Plan</b>	<b>% of Plan</b>	<b>Actual</b>	<b>Plan</b>	<b>\$ Over Plan</b>	<b>% of Plan</b>
Electricity sales	\$ 13,720,722	\$ 14,449,311	\$ (728,589)	95%	\$ 51,736,257	\$ 51,987,836	\$ (251,579)	100%
Electricity procurement cost	11,318,683	11,784,279	(465,596)	96%	44,190,781	44,025,045	165,736	100%
Gross profit	2,402,039	2,665,032	(262,993)	90%	7,545,476	7,962,791	(417,315)	95%
<b>Expenses</b>								
Staff compensation	372,235	462,783	(90,548)	80%	1,353,278	1,673,733	(320,455)	81%
Legal services	31,863	68,083	(36,220)	47%	172,358	272,333	(99,975)	63%
Technical consulting	49,741	70,549	(20,808)	71%	184,066	230,837	(46,771)	80%
Communications & related exp	230,486	119,972	110,514	192%	422,893	339,278	83,615	125%
Data manager	243,690	256,670	(12,980)	95%	972,975	1,026,678	(53,703)	95%
Service fees - PGE	76,213	81,436	(5,223)	94%	304,219	325,746	(21,527)	93%
Other services	46,640	35,967	10,673	130%	208,766	181,144	27,622	115%
General and administration	58,569	60,272	(1,703)	97%	217,083	241,089	(24,006)	90%
Total expense	1,109,437	1,155,733	(46,296)	96%	3,835,638	4,290,839	(455,201)	89%
Subtotal	1,292,602	1,509,299	(216,697)		3,709,838	3,671,952	37,886	101%
<b>Other income</b>								
Public purpose energy efficiency program	65,335	-	65,335	-	269,314	-	269,314	100%
Interest income	4,089	-	4,089	-	19,705	-	19,705	100%
Miscellaneous income	3,197	-	3,197	-	31,190	-	31,190	100%
Total other income	72,621	-	72,621	-	320,209	-	320,209	100%
<b>Other expenses</b>								
Public purpose energy efficiency program	65,333	-	65,333	-	269,312	-	269,312	100%
Solar rebate program	3,200	-	3,200	100%	16,500	-	16,500	100%
Uncollectible accounts	99,663	72,247	27,416	138%	375,793	259,939	115,854	145%
Depreciation expense	7,957	-	7,957	-	29,308	-	29,308	100%
Interest and loan fee expense	-	38,167	(38,167)	0%	32,515	152,667	(120,152)	21%
Total other expenses	176,153	110,413	65,740	160%	723,428	412,606	310,822	175%
Change in net position	\$ 1,189,070	\$ 1,398,886	\$ (209,816)		\$ 3,306,619	\$ 3,259,346	\$ 47,273	