



January 21, 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 2015-11 (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 November 2015.

OPERATING BUDGET:

Year-to-date revenues continue slightly over budget by approximately 2%. The cost of energy is below budget by approximately 4%. Non-energy operating expenditures are generally below anticipated year-to-date levels but much of this will be smoothed as the year continues. A budget amendment is being brought to the Board's January meeting to obtain approval for expenditures expected to vary from the approved budget.

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 FY 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 revenue from 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.



Financial Plumblime

ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Marin Clean Energy

We have compiled the accompanying budgetary comparison schedules of Marin Clean Energy (a California Joint Powers Authority) for the period ended November 30, 2015. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements with undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement.

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

December 18, 2015

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MARIN CLEAN ENERGY
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2015 through November 30, 2015

	<u>Actual from April 1, 2014 through November 30, 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)	\$ 66,879,532	100,141,899	\$ 101,990,149	\$ 1,848,250	101.85%	\$ 145,933,098	\$ 43,942,949
Other revenues	35,159	-	436,012	436,012	-	-	-
Total sources	<u>66,914,691</u>	<u>100,141,899</u>	<u>102,426,161</u>	<u>2,284,262</u>	<u>102.28%</u>	<u>145,933,098</u>	<u>43,942,949</u>
EXPENDITURES AND OTHER USES:							
CURRENT EXPENDITURES							
Cost of energy	54,566,388	84,862,105	81,342,737	(3,519,368)	95.85%	129,522,715	48,179,978
Staffing	1,296,574	1,938,950	1,920,617	(18,333)	99.05%	2,964,000	1,043,383
Technical consultants	335,477	431,631	416,433	(15,198)	96.48%	629,000	212,567
Legal counsel	247,524	240,000	231,391	(8,609)	96.41%	360,000	128,609
Communications consultants and related expenses	373,460	500,667	488,372	(12,295)	97.54%	751,000	262,628
Data manager	1,767,276	1,908,000	1,901,559	(6,441)	99.66%	2,862,000	960,441
Service fees- PG&E	450,919	614,000	576,004	(37,996)	93.81%	921,000	344,996
Other services	225,827	278,667	278,189	(478)	99.83%	418,000	139,811
General and administration	246,036	219,333	171,947	(47,386)	78.40%	329,000	157,053
Occupancy	-	173,333	129,925	(43,408)	74.96%	260,000	130,075
Integrated Demand side pilot programs	-	33,333	21,440	(11,893)	64.32%	50,000	28,560
Marin County green business program	-	10,000	-	(10,000)	0.00%	10,000	10,000
Solar rebates	-	7,000	4,000	(3,000)	0.00%	35,000	31,000
Total current expenditures	<u>59,509,481</u>	<u>91,217,020</u>	<u>87,482,614</u>	<u>(3,734,406)</u>	<u>95.91%</u>	<u>139,111,715</u>	<u>51,629,101</u>
CAPITAL OUTLAY	14,398	132,000	145,327	13,327	110.10%	150,000	4,673
DEBT SERVICE *	747,431	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>60,381,304</u>	<u>94,580,403</u>	<u>90,927,042</u>	<u>\$ (3,653,361)</u>	<u>96.14%</u>	<u>142,493,098</u>	<u>\$ 51,566,056</u>
Net increase (decrease) in available fund balance	<u>\$ 6,533,387</u>	<u>\$ 5,561,497</u>	<u>\$ 11,499,119</u>	<u>\$ 5,937,622</u>		<u>\$ 3,440,000</u>	<u>\$ (7,623,107)</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 November 30, 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	\$ 753,047	\$ 752,655	50.01%
EXPENDITURES AND OTHER USES:				
CURRENT EXPENDITURES				
Public purpose energy efficiency program	<u>1,505,702</u>	<u>700,263</u>	<u>805,439</u>	<u>46.51%</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 November 30, 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>134,642</u>	<u>16,741</u>	<u>88.94%</u>
Net increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ 16,741</u>		

**RENEWABLE ENERGY RESERVE FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2015 through November 30, 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 November 30, 2015

	Actual
Other services	
Audit	\$ 35,500
Accounting	96,000
IT Consulting	49,323
Human resources & payroll fees	5,169
Legislative consulting	60,000
Miscellaneous professional fees	32,197
	\$ 278,189
	\$ 278,189
 General and administration	
Cell phones	\$ 544
Data and telephone service	21,603
Insurance	7,169
Office and meeting rentals	2,638
Office equipment lease	3,639
Dues and subscriptions	38,350
Conferences and professional education	17,027
Travel	15,404
Business meals	5,321
Office supplies and postage	60,252
	\$ 171,947
	\$ 171,947

See accountants' compilation report.