



March 17, 2016

TO: Marin Clean Energy Board
FROM: David McNeil, Finance and Project Manager
RE: Monthly FY 2015/16 Budget Report (Agenda Item #04 - C.3)
ATTACHMENT: MCE Budget Reports 2016-01 (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 January 2016.

OPERATING FUND BUDGET:

Year-to-date revenues continue slightly over budget by approximately 2%, 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. At the January 21, 2016 board meeting, an amended Operating Fund Budget was approved to account for certain expense categories that were expected to exceed original budget levels; these changes are reflected in this report.

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

ENERGY EFFICIENCY PROGRAM FUND BUDGET:

The Energy Efficiency Program Fund is funded by the California Public Utilities Commission. For financial reporting purposes, MCE treats funds received in this Fund as a reimbursable grant. The result is that Fund 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 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.

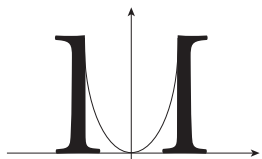
LOCAL DEVELOPMENT RENEWABLE ENERGY BUDGET:

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.



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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Marin Clean Energy

Management is responsible for the accompanying special purpose statement of Marin Clean Energy (a California Joint Powers Authority) which comprise the budgetary comparison schedule for the period ended January 31, 2016, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. 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, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of MCE.

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.

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

Maher Accountancy

San Rafael, CA
February 19, 2016



MARIN CLEAN ENERGY
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2015 through January 31, 2016

	<u>Actual from April 1, 2014 through January 31, 2015</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)	\$ 83,482,397	124,745,386	\$ 127,682,526	\$ 2,937,140	102.35%	\$ 145,933,098	\$ 18,250,572
Other revenues	43,463	-	455,221	455,221	-	-	-
Total sources	<u>83,525,860</u>	<u>124,745,386</u>	<u>128,137,747</u>	<u>3,392,361</u>	<u>102.72%</u>	<u>145,933,098</u>	<u>18,250,572</u>
EXPENDITURES AND OTHER USES:							
CURRENT EXPENDITURES							
Cost of energy	71,373,391	108,194,891	102,665,975	(5,528,916)	94.89%	129,035,715	26,369,740
Staffing	1,669,235	2,623,300	2,512,889	(110,411)	95.79%	3,142,000	629,111
Technical consultants	426,268	537,677	517,251	(20,426)	96.20%	629,000	111,749
Legal counsel	258,707	327,000	305,494	(21,506)	93.42%	387,000	81,506
Communications consultants and related expenses	459,758	625,833	554,000	(71,833)	88.52%	751,000	197,000
Data manager	2,136,875	2,391,000	2,387,155	(3,845)	99.84%	2,868,000	480,845
Service fees- PG&E	562,665	767,500	712,297	(55,203)	92.81%	921,000	208,703
Other services	278,624	395,333	341,988	(53,345)	86.51%	465,000	123,012
General and administration	306,102	289,167	210,827	(78,340)	72.91%	344,000	133,173
Occupancy	-	216,667	180,565	(36,102)	83.34%	260,000	79,435
Integrated Demand side pilot programs	-	41,667	10,190	(31,477)	24.46%	50,000	39,810
Marin County green business program	15,000	10,000	-	(10,000)	0.00%	10,000	10,000
Solar rebates	-	21,000	4,000	(17,000)	0.00%	35,000	31,000
Total current expenditures	<u>77,486,625</u>	<u>116,441,035</u>	<u>110,402,631</u>	<u>(6,038,404)</u>	<u>94.81%</u>	<u>138,897,715</u>	<u>28,495,084</u>
CAPITAL OUTLAY	20,535	287,000	165,977	(121,023)	57.83%	296,000	130,023
DEBT SERVICE	994,900	2,148,000	2,147,718	(282)	99.99%	2,148,000	282
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>78,612,054</u>	<u>120,027,418</u>	<u>113,867,709</u>	<u>\$ (6,159,709)</u>	<u>94.87%</u>	<u>142,493,098</u>	<u>\$ 28,625,389</u>
Net increase (decrease) in available fund balance	<u>\$ 4,913,806</u>	<u>\$ 4,717,968</u>	<u>\$ 14,270,038</u>	<u>\$ 9,552,070</u>		<u>\$ 3,440,000</u>	<u>\$ (10,374,817)</u>

**MARIN CLEAN ENERGY
ENERGY EFFICIENCY PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2015 through January 31, 2016**

	<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	\$ 1,400,478	\$ 105,224	93.01%
EXPENDITURES AND OTHER USES:				
CURRENT EXPENDITURES				
Public purpose energy efficiency program	<u>1,505,702</u>	<u>1,347,695</u>	<u>158,007</u>	<u>89.51%</u>
Net increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ 52,783</u>		

**LOCAL RENEWABLE ENERGY DEVELOPMENT FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2015 through January 31, 2016**

	<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>91,054</u>	<u>60,329</u>	<u>60.15%</u>
Net increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ 60,329</u>		

**RENEWABLE ENERGY RESERVE FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2015 through January 31, 2016**

	<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 January 31, 2016

	Actual
Other services	
Audit	\$ 35,500
Accounting	128,660
IT Consulting	62,261
Human resources & payroll fees	7,490
Legislative consulting	75,000
Miscellaneous professional fees	33,077
	\$ 341,988
General and administration	
Data and telephone service	27,865
Insurance	7,676
Office and meeting rentals	3,156
Office equipment lease	4,548
Dues and subscriptions	54,551
Conferences and professional education	17,917
Travel	19,358
Business meals	6,667
Office supplies and postage	69,089
	\$ 210,827

See accountants' compilation report.