



**TREASURER REPORT**

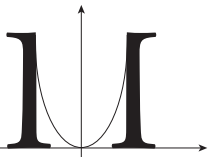
**Fiscal Year to Date  
As of March 31, 2019**

**Issue Date: May 8, 2019**

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## ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Monterey Bay Community Power Authority

Management is responsible for the accompanying financial statements of Monterey Bay Community Power Authority (a California Joint Powers Authority) which comprise the statement of net position as of March 31, 2019, and the related statement of revenues, expenses, and changes in net position, and the statement of 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 note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Monterey Bay Community Power Authority's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

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

*MAHER ACCOUNTANCY*

San Rafael, CA  
April 29, 2019



**MONTEREY BAY COMMUNITY POWER AUTHORITY**  
**STATEMENT OF NET POSITION**  
**As of March 31, 2019**

**ASSETS**

Current assets	
Cash and cash equivalents	\$ 50,632,265
Accounts receivable, net of allowance	19,286,936
Energy settlements receivable	2,290,613
Accrued revenue	8,062,806
Other receivables	17,206
Prepaid expenses	372,521
Deposits	268,408
Restricted cash	3,600,000
Total current assets	<u>84,530,755</u>
Noncurrent assets	
Capital assets, net of depreciation	243,926
Deposits	119,630
Total noncurrent assets	<u>363,556</u>
Total assets	<u><u>84,894,311</u></u>

**LIABILITIES**

Current liabilities	
Accounts payable	480,749
Accrued cost of electricity	22,640,955
Accrued payroll and benefits	232,441
Other accrued liabilities	877,140
Customer rebate liabilities	1,326,647
User taxes and energy surcharges due to other governments	1,001,356
Total current liabilities	<u>26,559,288</u>

**NET POSITION**

Investment in capital assets	243,926
Restricted for security collateral	3,600,000
Unrestricted	54,491,097
Total net position	<u><u>\$ 58,335,023</u></u>

**MONTEREY BAY COMMUNITY POWER AUTHORITY**

**STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
October 1, 2018 through March 31, 2019**

**OPERATING REVENUES**

Electricity sales, net of allowance \$ 96,954,848

**OPERATING EXPENSES**

Cost of electricity 75,025,149

Staff compensation and benefits 1,345,357

Data management 1,395,087

Service fees - PG&E 566,560

Consultants and other professional fees 387,492

Legal 147,108

Communications and noticing 193,626

General and administration 427,622

Depreciation 46,319

Total operating expenses 79,534,320

Operating income 17,420,528

**NONOPERATING REVENUES (EXPENSES)**

Interest income 435,928

Gain (loss) on disposal of asset (465)

Total nonoperating revenues (expenses) 435,463

**CHANGE IN NET POSITION**

17,855,991

Net position (deficit) at beginning of period 40,479,032

Net position at end of period \$ 58,335,023

**MONTEREY BAY COMMUNITY POWER AUTHORITY**

**STATEMENT OF CASH FLOWS**  
**October 1, 2018 through March 31, 2019**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from electricity sales	\$ 107,391,343
Tax and surcharge receipts from customers	2,704,886
Energy settlements received	6,027,505
Payments to purchase electricity and related	(76,985,642)
Payments for staff compensation and benefits	(1,277,318)
Payments for consultants and other professional fees	(2,350,947)
Payments for general and administration	(401,375)
Payments of deposits and collateral	(268,683)
Tax and surcharge payments to other governments	(2,871,509)
Net cash provided (used) by operating activities	<u>31,968,260</u>

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

Acquisition of capital assets	<u>(29,211)</u>
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest income received	<u>435,928</u>
Net cash provided (used) by investing activities	<u>435,928</u>

Net change in cash and cash equivalents	32,374,977
Cash and cash equivalents at beginning of year	21,857,288
Cash and cash equivalents at end of period	<u>\$ 54,232,265</u>

**Reconciliation to the Statement of Net Position**

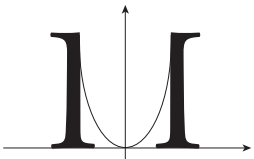
Cash and cash equivalents (unrestricted)	\$ 50,632,265
Restricted cash	<u>3,600,000</u>
Cash and cash equivalents	<u>\$ 54,232,265</u>

# MONTEREY BAY COMMUNITY POWER AUTHORITY

## STATEMENT OF CASH FLOWS (continued) October 1, 2018 through March 31, 2019

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

Operating income	\$ 17,420,528
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	45,778
Revenue reduced for uncollectible accounts	500,143
(Increase) decrease in accounts receivable	3,535,112
(Increase) decrease in energy settlements receivable	(1,263,296)
(Increase) decrease in accrued revenue	7,006,791
(Increase) decrease in other receivables	(12,481)
(Increase) decrease in prepaid expenses	4,778,466
(Increase) decrease in deposits	(268,683)
Increase (decrease) in accounts payable	(392,509)
Increase (decrease) in accrued cost of electricity	468,606
Increase (decrease) in accrued payroll and related	68,039
Increase (decrease) in accrued liabilities	853,940
Increase (decrease) in customer rebate liabilities	(572,298)
Increase (decrease) taxes and surcharges due to other governments	(199,876)
Net cash provided (used) by operating activities	<u>\$ 31,968,260</u>



## ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Monterey Bay Community Power Authority

Management is responsible for the accompanying special purpose statement of Monterey Bay Community Power Authority (a California Joint Powers Authority) which comprise the budgetary comparison schedule for the period ended March 31, 2019, 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 the Authority.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Monterey Bay Community Power Authority's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

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

*MAHER ACCOUNTANCY*

San Rafael, CA  
April 29, 2019



**MONTEREY BAY COMMUNITY POWER AUTHORITY**  
**BUDGETARY COMPARISON SCHEDULE**  
**October 1, 2018 through March 31, 2019**

	<b>2018/19 YTD Amended Budget</b>	<b>2018/19 YTD Actual</b>	<b>2018/19 YTD Amended Budget Variance (Under) Over</b>	<b>2018/19 YTD Actual / Amended Budget %</b>	<b>2018/19 Annual Amended Budget</b>	<b>2018/19 Amended Budget Remaining</b>	<b>2018/19 Budget Remaining / Amended Budget %</b>
<b>REVENUES AND OTHER SOURCES</b>							
Electricity sales	\$ 98,328,509	\$ 100,028,561	\$ 1,700,052	102%	\$ 221,333,000	\$ 121,304,439	55%
Less uncollectible accounts	(491,643)	(500,143)	(8,500)	102%	(1,107,000)	(606,857)	55%
Net revenue - electricity	97,836,866	99,528,418	1,691,552	102%	220,226,000	120,697,582	
Investment and miscellaneous income	410,747	435,463	24,716	106%	978,000	542,537	55%
Total revenues and other sources	<u>98,247,614</u>	<u>99,963,881</u>	<u>1,716,267</u>	<u>102%</u>	<u>221,204,000</u>	<u>121,240,119</u>	<u>55%</u>
<b>EXPENDITURES AND OTHER USES</b>							
<b>Current Expenditures</b>							
Cost of energy	73,954,179	75,172,647	1,218,468	102%	165,689,000	90,516,353	55%
Data manager	1,442,792	1,395,087	(47,705)	97%	2,703,000	1,307,913	48%
PG&E service fees	573,000	566,560	(6,440)	99%	1,143,000	576,440	50%
Staffing	1,507,762	1,345,357	(162,405)	89%	3,851,000	2,505,643	65%
Professional services	233,804	187,684	(46,120)	80%	482,000	294,316	61%
Legal services	193,953	192,108	(1,845)	99%	298,000	105,892	36%
Marketing and customer enrollment	267,467	193,605	(73,862)	72%	945,000	751,395	80%
Other general & administration	488,194	473,941	(14,253)	97%	1,033,000	559,059	54%
Total current expenditures	<u>78,661,150</u>	<u>79,526,989</u>	<u>865,839</u>	<u>101%</u>	<u>176,144,000</u>	<u>96,617,011</u>	<u>55%</u>
<b>Other Uses</b>							
Capital outlay	51,627	28,637	(22,990)	55%	98,000	69,363	71%
Total Expenditures and Other Uses	<u>78,712,778</u>	<u>79,555,626</u>	<u>842,848</u>	<u>101%</u>	<u>176,242,000</u>	<u>96,686,374</u>	<u>55%</u>
Surplus Before Rebates and Program	19,534,836	20,408,255	873,419		44,962,000	24,553,745	55%
Rebate expenditures	3,628,532	2,573,570	(1,054,962)	71%	8,112,000	5,538,430	68%
Program expenditures	57,961	7,331	(50,630)	13%	4,405,000	4,397,669	100%
Surplus After Rebates and Program Expenditures	<u>\$ 15,848,344</u>	<u>\$ 17,827,354</u>	<u>\$ 1,979,010</u>		<u>\$ 32,445,000</u>	<u>\$ 14,617,646</u>	



**MONTEREY BAY COMMUNITY POWER AUTHORITY  
BUDGET RECONCILIATION TO STATEMENT OF  
REVENUES, EXPENSES AND CHANGES IN NET POSITION  
October 1, 2018 through March 31, 2019**

CCA Program Surplus/(Deficit) per budgetary comparison schedule:	\$ 17,827,354
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Add back capital asset acquisitions	<u>28,637</u>
Change in Net Position	<u>\$ 17,855,991</u>

**MONTEREY BAY COMMUNITY POWER AUTHORITY**  
**Budget Commentary for significant items**  
**October 1, 2018 through March 31, 2019**

Budget Item	YTD Variance	Comment
Electric Sales Revenue	102%	Sales revenue includes revenues actually billed to customers as well as estimated customer usage during the reporting period that is not yet billed. YTD results are slightly better than budget.
Staffing	89%	Staffing expenses are slightly under budget due to the timing of new hires
Professional Services	80%	This category includes accounting, IT, technical and other consultants.
Legal Costs	99%	This category includes outside legal costs for regulatory and energy procurement needs.
Marketing and customer enrollment	72%	Variance is mostly due to the lower than anticipated costs of recent customer enrollments.
Data Management Services	97%	Variance is expected to level out through the remainder of the year
PG&E Fees	99%	These are PG&E fees charged on a per customer basis.
Other General & Administrative	97%	This category includes occupancy costs, industry membership dues, and other general and administrative costs. Staff has been able to maintain a favorable variance for this budget item.
Energy and Related Programs	13%	Programs expenses have generally been delayed until later in the fiscal year.
Cost of Energy	102%	This minor variance is primarily due to (1) lower than expected volume used by customers, (2) better than anticipated market prices, and (3) timing difference between projected and actual REC deliveries.

# Financial Dashboard: March 2019

<b>CUSTOMERS</b>	<b>SALES VOLUME</b>	<b>REVENUE</b>	<b>STD MARGIN</b>	<b>Δ in NET ASSETS</b>
269,000 ACTIVE	239 GWh	\$16.9M	\$1.7 (10%)	\$0.8M
269,000 INVOICED				

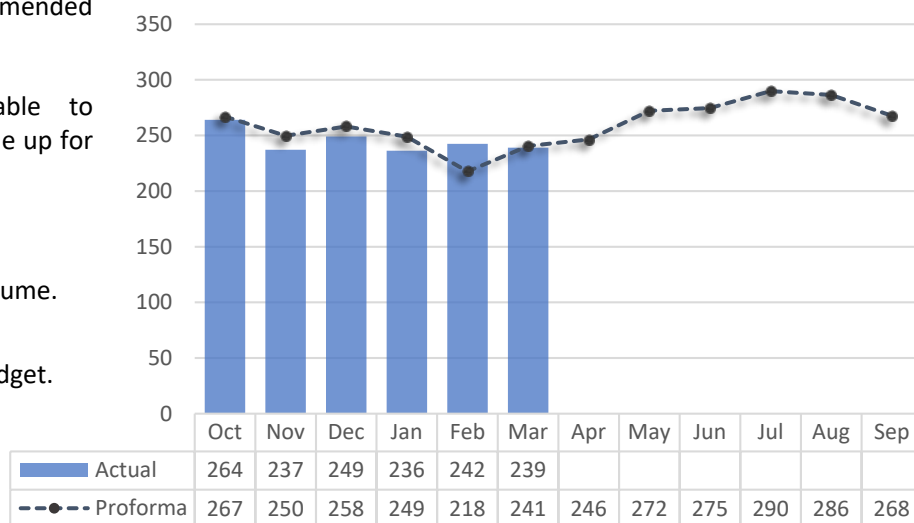
March Revenue of \$16.9MM accounted for 239 GWh in net retail consumption. This comes in 2 GWh below of the amended forecast.

Margins continue to run favorable to amended budget, primarily due to true up for previous period cost of energy.

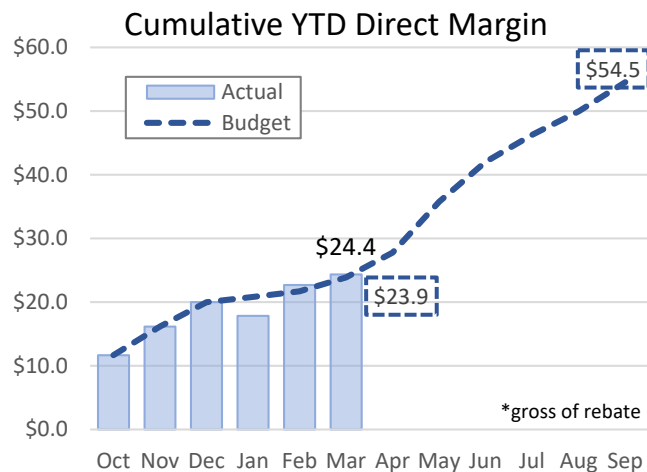
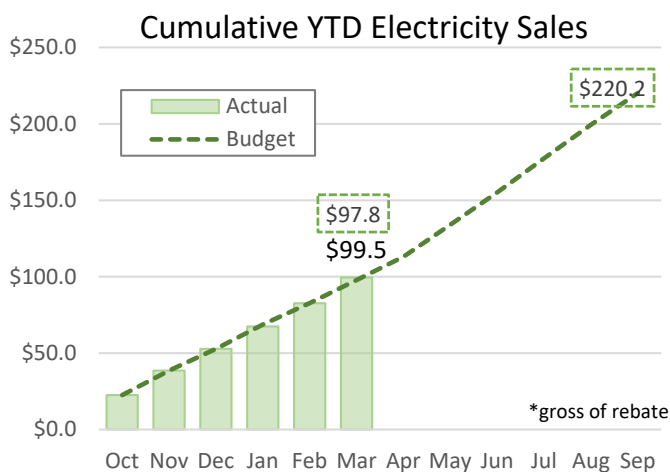
The chart to the right shows volume comparison to amended budgeted volume.

The charts below display cumulative revenue and margin \$ vs amended budget.

### Monthly Sales Volume (GWh)



YTD Revenue \$1.7M above budget, Margin dollars are \$0.5M ahead of budget.



#### Data Definitions:

CUSTOMERS: INVOICED: Unique Customer ESP Account Numbers billed during Calendar Month, ACTIVE: From GridX invoice.  
 REPORTED / SALES VOLUME: Best available estimate of actual meter volume. Currently based on GridX T+8 SQMD Report.  
 REVENUE: Total Company Revenue (net of reserve for uncollectible accounts and customer rebate).  
 ELECTRICITY SALES: Revenue from Electricity less reserve for uncollectible, but gross of customer rebate to match budget methodology.  
 STD MARGIN: Electricity sales (gross of customer rebate) less cost of energy

ACTUAL: Same as sales volume above  
 BUDGET: Volumes from 2019.03.21 amended Proforma model used for amended 2018/19 budget.

**Monterey Bay Community Power Authority  
Investment Summary  
October 1, 2018 through March 31, 2019**

<b>Return of Investments</b>	<u>YTD</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>
<i>Money Market and other Interest Earning Accounts</i>	\$ 436,000	\$ 25,500	\$ 43,500	\$ 70,000	92,000	89,000	116,000						
<i>Funds Invested - Average Balance</i>	\$ 17,887,000	\$ 23,946,000	\$ 37,260,000	\$ 45,025,000	\$ 51,229,000	\$ 55,785,000							
<i>Average APY</i>		1.71%	2.18%	2.25%	2.45%	2.08%	2.50%						

**Monterey Bay Community Power Authority**  
**Accounts Receivable Aging Report**  
**As of March 31, 2019**

		DAYS				
Total		0-30	31-60	61-90	90-120	Over 120
<b>Accounts Receivable, net</b>	<b>19,287,000</b>	16,176,000	1,160,000	511,000	513,000	927,000
<b>Period %</b>	<b>100%</b>	84%	6%	3%	3%	5%

**Monterey Bay Community Power Authority  
Personnel Report  
As of May 8, 2019**

Position	Budget	Actual	Status
Chief Executive Officer	1	1	
Board Clerk	1	1	
Director of Finance & Administrative Services	1	1	
Manager of Human Resources	1	1	
IT Systems Administrator	1	1	
Financial Analyst	1	1	
Administrative Operations Associate	1	1	
Director of Power Supply Resources	1	1	
Manager of Energy Trading	1	1	
Manager of Energy Contract & Compliance	1	1	
Power Supply Analyst	1	1	
Power Supply Analyst	1	0	
Director of Communications & Energy Programs	1	1	
Manager of Energy Communications & Outreach	1	1	
Energy Communications Specialist	1	1	
Energy Public Engagement Associate	1	1	
Energy Public Engagement Associate	1	1	
Manager of Energy Account Services	1	1	
Manager of Energy Business Development	1	1	
Manager of Energy Programs	1	1	
Energy Programs Coordinator	1	1	
Temp Staff Support	3	3	
General Counsel	1	0	Contract GC from the County of Monterey until 6/30/2019
Manager of Energy Regulatory and Legislative Affairs	1	0	Recruitment in progress
Energy Regulatory and Legislative Analyst	1	0	
<b>Total</b>	<b>27</b>	<b>23</b>	