



**TREASURER REPORT**

**Fiscal Year to Date  
As of January 31, 2020**

**Issue Date: April 8, 2020**

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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 January 31, 2020, 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  
March 10, 2020

**MONTEREY BAY COMMUNITY POWER AUTHORITY**  
**STATEMENT OF NET POSITION**  
**As of January 31, 2020**

**ASSETS**

Current assets	
Cash and cash equivalents	\$ 133,144,237
Accounts receivable, net of allowance	18,007,138
Market settlements receivable	75,664
Accrued revenue	12,065,030
Other receivables	407,968
Prepaid expenses	364,314
Deposits	822,024
Restricted cash	2,000,000
Total current assets	<u>166,886,375</u>
Noncurrent assets	
Capital assets, net of depreciation	331,983
Deposits	121,055
Total noncurrent assets	<u>453,038</u>
Total assets	<u><u>167,339,413</u></u>

**LIABILITIES**

Current liabilities	
Accrued cost of electricity	24,044,528
Accounts payable	924,725
Accrued payroll and benefits	336,144
Other accrued liabilities	66,000
Customer rebate liabilities	2,228,352
User taxes and energy surcharges due to other governments	981,662
Supplier security deposits	1,260,000
Total current liabilities	<u>29,841,411</u>

**NET POSITION**

Investment in capital assets	331,983
Restricted for security collateral	2,000,000
Unrestricted	135,166,019
Total net position	<u><u>\$ 137,498,002</u></u>

**MONTEREY BAY COMMUNITY POWER AUTHORITY**

**STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION**

**October 1, 2019 through January 31, 2020**

**OPERATING REVENUES**

Electricity sales, net of allowance \$ 77,729,933

**OPERATING EXPENSES**

Cost of electricity 57,147,287

Contract services 2,028,220

Staff compensation and benefits 1,268,871

General and administration 368,849

Depreciation 33,493

Total operating expenses 60,846,720

Operating income 16,883,213

**NONOPERATING REVENUES (EXPENSES)**

Interest income 918,075

Total nonoperating revenues (expenses) 918,075

**CHANGE IN NET POSITION**

17,801,288

Net position at beginning of period 119,696,714

Net position at end of period \$ 137,498,002

**MONTEREY BAY COMMUNITY POWER AUTHORITY**

**STATEMENT OF CASH FLOWS**  
**October 1, 2019 through January 31, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$ 97,598,111
Other operating receipts	1,265,166
Payments to suppliers for electricity	(60,682,816)
Payments for other goods and services	(2,989,224)
Payments for staff compensation	(1,221,753)
Tax and surcharge payments to other governments	(2,498,676)
Net cash provided by operating activities	<u>31,470,808</u>

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

Acquisition of capital assets	<u>(77,208)</u>
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest income received	<u>918,075</u>
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Net change in cash and cash equivalents	32,311,675
Cash and cash equivalents at beginning of year	102,832,562
Cash and cash equivalents at end of period	<u>\$ 135,144,237</u>

**Reconciliation to the Statement of Net Position**

Cash and cash equivalents (unrestricted)	\$ 133,144,237
Restricted cash	2,000,000
Cash and cash equivalents	<u>\$ 135,144,237</u>

**STATEMENT OF CASH FLOWS (continued)**  
**October 1, 2019 through January 31, 2020**

**RECONCILIATION OF OPERATING INCOME TO NET  
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 16,883,213
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation expense	33,493
Revenue adjusted for allowance for uncollectible accounts	409,364
(Increase) decrease in:	
Accounts receivable	19,217,220
Market settlements receivable	(32,397)
Accrued revenue	3,661,738
Other receivables	(400,916)
Prepaid expenses	(23,924)
Deposits	(371,983)
Increase (decrease) in:	
Accounts payable	(289,576)
Accrued cost of electricity	(1,619,550)
Accrued payroll and benefits	47,118
Accrued liabilities	(148,631)
Customer rebate liabilities	(5,458,918)
User taxes due to other governments	(459,902)
Supplier security deposits	24,459
Net cash provided by operating activities	<u>\$ 31,470,808</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 January 31, 2020, 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  
March 10, 2020

**MONTEREY BAY COMMUNITY POWER AUTHORITY**  
**BUDGETARY COMPARISON SCHEDULE**  
**October 1, 2019 through January 31, 2020**

	2019/20 YTD Budget	2019/20 YTD Actual	2019/20 YTD Budget Variance (Under) Over	2019/20 YTD Actual / Budget %	2019/20 Annual Budget	2019/20 Budget Remaining	2019/20 Budget Remaining / Budget %
<b>REVENUES AND OTHER SOURCES</b>							
Net revenue - electricity *	76,162,936	81,462,541	5,299,605	107%	273,944,000	192,481,459	
Investment and miscellaneous income	433,000	918,075	485,075	212%	1,285,000	366,925	29%
Total revenues and other sources	<u>76,595,936</u>	<u>82,380,616</u>	<u>5,784,680</u>	<u>108%</u>	<u>275,229,000</u>	<u>192,848,384</u>	<u>70%</u>
<b>EXPENDITURES AND OTHER USES</b>							
<b>Current Expenditures</b>							
Cost of energy	55,144,293	57,245,619	2,101,326	104%	176,488,000	119,242,381	68%
Data manager	850,577	852,366	1,789	100%	2,680,000	1,827,634	68%
PG&E service fees	396,936	397,955	1,019	100%	1,251,000	853,045	68%
Staffing	2,130,143	1,268,871	(861,272)	60%	6,457,000	5,188,129	80%
Professional services	250,615	231,703	(18,912)	92%	690,000	458,297	66%
Legal services	66,668	109,435	42,767	164%	200,000	90,565	45%
Marketing and customer enrollment	376,040	313,429	(62,611)	83%	1,128,000	814,571	72%
Other general & administration	386,596	368,849	(17,747)	95%	1,152,000	783,151	68%
Total current expenditures	<u>59,601,868</u>	<u>60,788,227</u>	<u>1,186,359</u>	<u>102%</u>	<u>190,046,000</u>	<u>129,257,773</u>	<u>68%</u>
<b>Other Uses</b>							
Capital outlay	2,026,400	96,281	(1,930,119)	5%	4,092,000	3,995,719	98%
Total Expenditures and Other Uses	<u>61,628,268</u>	<u>60,884,508</u>	<u>(743,760)</u>	<u>99%</u>	<u>194,138,000</u>	<u>133,253,492</u>	<u>69%</u>
Surplus Before Rebates, Program & Reserve	14,967,668	21,496,108	6,528,440		81,091,000	59,594,892	73%
Rebate expenditures *	5,335,151	3,732,608	(1,602,543)	70%	19,176,000	15,443,392	81%
Program expenditures	1,425,333	25,000	(1,400,333)	2%	4,276,000	4,251,000	99%
Surplus After Rebates and Program Expenditures	<u>\$ 8,207,183</u>	<u>\$ 17,738,500</u>	<u>\$ 9,531,317</u>		<u>\$ 57,639,000</u>	<u>\$ 39,900,500</u>	

\* For October 2019 through December 2019 revenue is reported gross of the customer rebate and the rebate expenditure is reported separately. Starting in January 2020 the rebate is treated as a direct revenue reduction and is no longer reported separately.



**MONTEREY BAY COMMUNITY POWER AUTHORITY  
BUDGET RECONCILIATION TO STATEMENT OF  
REVENUES, EXPENSES AND CHANGES IN NET POSITION  
October 1, 2019 through January 31, 2020**

CCA Program Surplus/(Deficit) per budgetary comparison schedule:	\$ 17,738,500
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(33,493)
Add back capital asset acquisitions	<u>96,281</u>
Change in Net Position	<u><u>\$ 17,801,288</u></u>

**MONTEREY BAY COMMUNITY POWER AUTHORITY**  
**Budget Commentary for significant items**  
**October 1, 2018 through January 31, 2020**

Budget Item	YTD Variance	Comment
Electric Sales Revenue	107%	Sales revenue includes revenues actually billed to customers as well as estimated customer usage during the reporting period that is not yet billed.
Cost of Energy	104%	This variance is primarily due to (1) timing difference between projected and actual REC deliveries, (2) variance from actual to anticipated market prices, and (3) variance from actual to expected volume used by customers.
Staffing	60%	Staffing expenses are under budget due to the timing of new hires.
Professional Services	92%	This category includes accounting, IT, technical and other consultants.
Legal Costs	164%	This category includes outside legal costs for regulatory and energy procurement needs.
Marketing and customer enrollment	83%	Variance is mostly due to the lower than anticipated costs of recent customer enrollments.
Data Management Services	100%	These are charged on a per customer basis. We expect little to no variance in this account.
PG&E Fees	100%	These are PG&E fees charged on a per customer basis.
Other General & Administrative	95%	This category includes occupancy costs, industry membership dues, and other general and administrative costs. Staff has been able to operated at or near the budget for this item.
Energy and Related Programs	2%	Programs expenses have generally been delayed until later in the fiscal year.

# Financial Dashboard: January 2020

<b>CUSTOMERS</b>  <b>299,000</b> ACTIVE	<b>SALES VOLUME</b> <b>245 GWh</b>	<b>REVENUE</b> <b>\$18.2M</b>	<b>STD MARGIN</b> <b>\$5.2 (29%)</b>	<b>Δ in NET ASSETS</b> <b>\$4.1M</b>																																
	<p>■ YTD ■ Month</p> <table border="1"> <tr><th>Category</th><th>YTD</th><th>Month</th></tr> <tr><td>Ag</td><td>14%</td><td>10%</td></tr> <tr><td>Com</td><td>44%</td><td>44%</td></tr> <tr><td>Res</td><td>42%</td><td>46%</td></tr> </table>	Category	YTD	Month	Ag	14%	10%	Com	44%	44%	Res	42%	46%	<p>■ YTD ■ Month</p> <table border="1"> <tr><th>Category</th><th>YTD</th><th>Month</th></tr> <tr><td>Ag</td><td>13%</td><td>5%</td></tr> <tr><td>Com</td><td>42%</td><td>39%</td></tr> <tr><td>Res</td><td>45%</td><td>55%</td></tr> </table>	Category	YTD	Month	Ag	13%	5%	Com	42%	39%	Res	45%	55%	<p>Margin \$</p> <table border="1"> <tr><td>Bud</td><td>\$3.0</td></tr> <tr><td>Act</td><td>\$5.2</td></tr> </table> <p>Margin %</p> <table border="1"> <tr><td>Bud</td><td>17.0%</td></tr> <tr><td>Act</td><td>28.8%</td></tr> </table>	Bud	\$3.0	Act	\$5.2	Bud	17.0%	Act	28.8%	<ul style="list-style-type: none"> <li>Revenue, \$18.2</li> <li>C.O.E., \$13.0</li> <li>Other Expense, \$1.2</li> <li>Net Income, \$4.1</li> </ul>
Category	YTD	Month																																		
Ag	14%	10%																																		
Com	44%	44%																																		
Res	42%	46%																																		
Category	YTD	Month																																		
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Bud	\$3.0																																			
Act	\$5.2																																			
Bud	17.0%																																			
Act	28.8%																																			

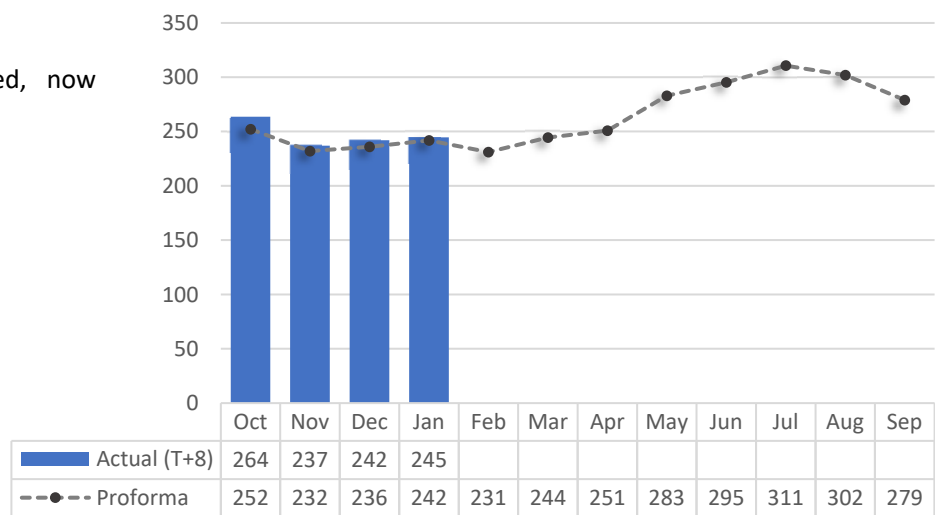
January Revenue of \$18.2M accounted for 245 GWh in net retail consumption. This comes in 3 GWh above the budget.

YTD Margin continues to improved, now exceeding budget by \$3.2M.

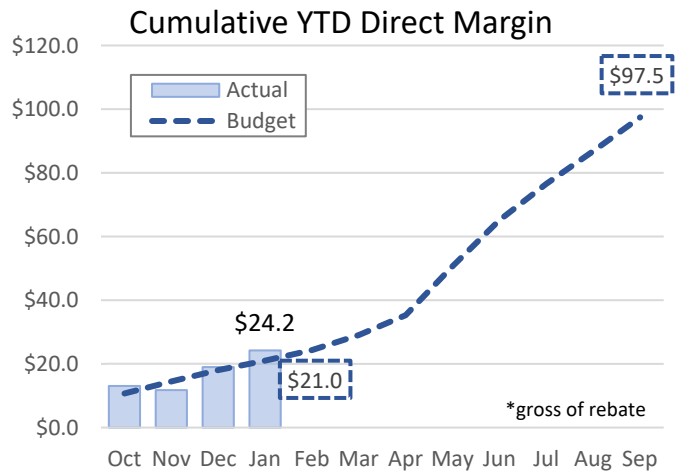
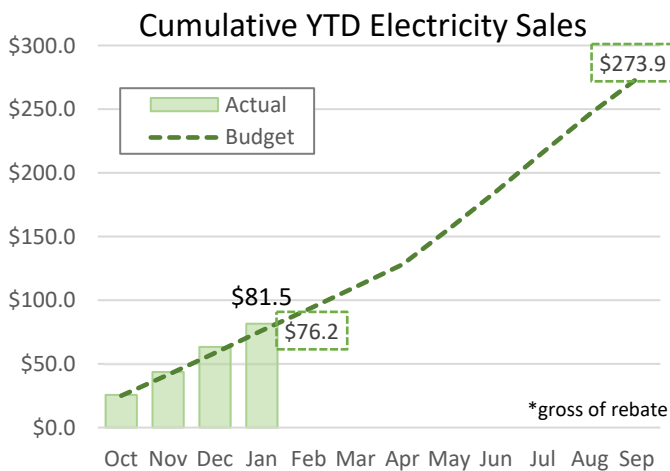
The chart to the right shows volume comparison to budgeted volume.

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

### Monthly Sales Volume (GWh)



Fiscal Year Revenue \$5.3M above budget, Margin dollars are \$3.2M above budget.



#### Data Definitions:

CUSTOMERS: 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 MBCP Proforma V2 08292019\_June PICA

**Monterey Bay Community Power Authority**  
**Investment Summary**  
**October 1, 2018 through January 31, 2020**

<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>	\$ 918,074	\$ 215,730	\$ 229,486	\$ 233,677	\$ 239,181								
<i>Funds Invested - Average Balance</i>		\$ 115,036,000	\$ 128,245,000	\$ 129,792,000	\$ 136,154,000								
<i>Average APY</i>		2.25%	2.15%	2.16%	2.11%								

**Monterey Bay Community Power Authority**  
**Accounts Receivable Aging Report**  
**As of January 31, 2020**

		DAYS				
<b>Total</b>		<b>0-30</b>	<b>31-60</b>	<b>61-90</b>	<b>90-120</b>	<b>Over 120</b>
<b>Accounts Receivable, net</b>	<b>18,007,000</b>	12,750,000	1,297,000	869,000	616,000	2,475,000
<b>Period %</b>	<b>100%</b>	71%	7%	5%	3%	14%

**Monterey Bay Community Power Authority  
Personnel Report  
As of April 8, 2020**

Position	Budget	Actual	Status
Chief Executive Officer	1	1	
Executive Assistant / Board Clerk	1	1	
Director of Finance & Administrative Services	1	1	
Manager of Strategic Analysis & Rates	1	0	
Data Scientist	1	0	
Senior Financial Analyst	1	1	
Financial Analyst	1	1	
IT Systems Administrator	1	1	
Administrative Operations Associate	1	1	
Administrative Assistant	1	1	
Director of Power Supply Resources	1	1	
Manager of Energy Trading	1	1	
Manager of Energy Contracts & Compliance	1	1	
Senior Energy Risk Analyst	1	1	
Power Supply Analyst	1	1	
Director of Communications & Energy Programs	1	1	
Manager of Energy Communications	1	1	
Senior Energy Media Specialist	1	1	
Energy Marketing Specialist	1	0	Recruitment in progress
Marketing Outreach Rep. (Temp)	1	0	
Manager of Community Relations	1	1	
Energy Public Engagement Associate	1	1	
Energy Public Engagement Associate	1	0	Recruitment in progress
Energy Public Engagement Rep. (Temp)	1	0	
Manager of Energy Account Services	1	1	
Energy Accounts Specialist	1	1	
Energy Accounts Specialist	1	1	
Manager of Energy Programs	1	1	
Energy Programs Analyst	1	1	
Energy Programs Analyst	1	0	Recruitment in progress
Programs Outreach Rep. (Temp)	1	0	
General Counsel	1	1	
Manager of Energy Regulatory and Legislative Affairs	1	1	
Energy Regulatory and Legislative Analyst	1	0	Recruitment in progress
HR Generalist	1	0	Recruitment in progress
<b>Total</b>	<b>35</b>	<b>25</b>	