



TREASURER REPORT

**Fiscal Year to Date
As of August 31, 2021**

Issue Date: October 13, 2021

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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Central Coast Community Energy

Management is responsible for the accompanying financial statements of Central Coast Community Energy (a California Joint Powers Authority) which comprise the statement of net position as of August 31, 2021, 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. Central Coast Community Energy'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
September 29, 2021

CENTRAL COAST COMMUNITY ENERGY
STATEMENT OF NET POSITION
As of August 31, 2021

ASSETS

Current assets	
Cash and cash equivalents	\$ 159,209,889
Accounts receivable, net of allowance	36,240,164
Energy settlements receivable	582,345
Accrued revenue	25,481,220
Other receivables	140,515
Prepaid expenses	3,531,618
Deposits	1,662,683
Restricted cash	294,000
Total current assets	<u>227,142,434</u>
Noncurrent assets	
Capital assets, net of depreciation	336,653
Deposits	79,280
Total noncurrent assets	<u>415,933</u>
Total assets	<u><u>227,558,367</u></u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	28,386,137
Accounts payable	1,362,885
Accrued payroll and benefits	812,670
Other accrued liabilities	40,000
Customer rebate liabilities	306,146
User taxes and energy surcharges due to other governments	1,378,324
Total current liabilities	<u>32,286,162</u>
Noncurrent liabilities	
Supplier security deposits	7,031,250
Total noncurrent liabilities	<u>7,031,250</u>
Total liabilities	<u><u>39,317,412</u></u>

NET POSITION

Investment in capital assets	336,653
Restricted for security collateral	294,000
Unrestricted	187,610,302
Total net position	<u><u>\$ 188,240,955</u></u>

CENTRAL COAST COMMUNITY ENERGY

STATEMENT OF REVENUES, EXPENSES

AND CHANGES IN NET POSITION

October 1, 2020 through August 31, 2021

OPERATING REVENUES

Electricity sales, net of allowance \$ 260,561,508

OPERATING EXPENSES

Cost of electricity 217,663,855

Contract services 6,422,825

Staff compensation and benefits 5,345,502

General and administration 2,201,010

Depreciation 95,493

Total operating expenses 231,728,685

Operating income 28,832,823

NONOPERATING REVENUES (EXPENSES)

Interest income 669,482

Nonoperating revenues (expenses) 669,482

CHANGE IN NET POSITION

29,502,305

Net position at beginning of period 158,738,650

Net position at end of period \$ 188,240,955

CENTRAL COAST COMMUNITY ENERGY

STATEMENT OF CASH FLOWS October 1, 2020 through August 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 248,985,598
Receipts from suppliers and market settlements	16,752,388
Payments to suppliers for electricity	(236,000,707)
Payments for other goods and services	(8,106,643)
Payments for staff compensation and benefits	(5,059,575)
Payments of taxes and surcharges to other governments	(5,536,241)
Net cash provided by operating activities	<u>11,034,820</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(101,078)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>669,482</u>
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Net change in cash and cash equivalents	11,603,224
Cash and cash equivalents at beginning of year	<u>147,900,665</u>
Cash and cash equivalents at end of period	<u>\$ 159,503,889</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 159,209,889
Restricted cash	<u>294,000</u>
Cash and cash equivalents	<u>\$ 159,503,889</u>

CENTRAL COAST COMMUNITY ENERGY
STATEMENT OF CASH FLOWS (continued)
October 1, 2020 through August 31, 2021

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

Operating income	\$ 28,832,823
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation expense	95,493
Revenue adjusted for uncollectible accounts	2,173,625
(Increase) decrease in:	
Accounts receivable	(10,834,195)
Market settlements receivable	(571,954)
Accrued revenue	(8,322,974)
Other receivables	94,790
Prepaid expenses	(2,670,558)
Deposits	(484,973)
Increase (decrease) in:	
Accrued cost of electricity	(3,737,289)
Accounts payable	867,963
Accrued payroll and benefits	285,927
Other accrued liabilities	(410,000)
Customer rebate liabilities	(9,573)
User taxes due to other governments	(119,035)
Supplier security deposits	5,844,750
Net cash provided by operating activities	<u>\$ 11,034,820</u>



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Central Coast Community Energy

Management is responsible for the accompanying special purpose statement of Central Coast Community Energy (a California Joint Powers Authority) which comprise the budgetary comparison schedule for the period ended August 31, 2021, 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. Central Coast Community Energy'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
September 29, 2021

CENTRAL COAST COMMUNITY ENERGY
BUDGETARY COMPARISON SCHEDULE
October 1, 2020 through August 31, 2021

	2020/21 YTD Amended Budget	2020/21 YTD Actual	2020/21 YTD Amended Budget Variance (Under Over	2020/21 YTD Actual / Amended Budget %	2020/21 Annual Amended Budget	2020/21 Amended Budget Remaining	2020/21 Amended Budget Remaining / Budget %
REVENUES AND OTHER SOURCES							
Net revenue - electricity	238,087,000	260,561,508	22,474,587	109%	266,165,000	5,603,492	2%
Investment and miscellaneous income	677,000	669,482	(7,518)	99%	738,000	68,518	9%
Total revenues and other sources	<u>238,764,000</u>	<u>261,230,990</u>	<u>22,467,069</u>	<u>109%</u>	<u>266,903,000</u>	<u>5,672,010</u>	<u>2%</u>
EXPENDITURES AND OTHER USES							
Current Expenditures							
Cost of energy	215,405,000	217,935,393	2,530,393	101%	243,414,000	25,478,607	10%
Data manager	2,985,000	2,963,341	(21,659)	99%	3,280,000	316,659	10%
PG&E service fees	1,415,000	1,413,208	(1,792)	100%	1,555,000	141,792	9%
Staffing	6,280,000	5,345,502	(934,498)	85%	6,960,000	1,614,498	23%
Professional services	654,000	575,672	(78,328)	88%	692,000	116,328	17%
Legal services	532,000	350,403	(181,597)	66%	645,000	294,597	46%
Marketing and customer enrollment	861,000	644,924	(216,076)	75%	1,083,000	438,076	40%
Other general & administration	1,452,000	1,249,528	(202,472)	86%	1,625,000	375,472	23%
Total current expenditures	<u>229,584,000</u>	<u>230,477,971</u>	<u>893,971</u>	<u>100%</u>	<u>259,254,000</u>	<u>28,776,029</u>	<u>11%</u>
Other Uses							
Capital outlay	161,000	115,553	(45,447)	72%	175,000	59,447	34%
Total Expenditures and Other Uses	<u>229,745,000</u>	<u>230,593,524</u>	<u>848,524</u>	<u>100%</u>	<u>259,429,000</u>	<u>28,835,476</u>	<u>11%</u>
Surplus Before Rebates, Program & Reserve Transfers	9,019,000	30,637,466	21,618,466		7,474,000	(23,163,466)	-310%
Program expenditures	5,564,000	1,155,221	(4,408,779)	21%	7,224,000	6,068,779	84%
Uninterruptible Power Supply expenditures	24,000	-	(24,000)	0%	27,000	27,000	100%
Surplus After Rebates, Program & Reserve Transfers	<u>\$ 3,431,000</u>	<u>\$ 29,482,245</u>	<u>\$ 26,051,245</u>		<u>\$ 223,000</u>	<u>\$ (29,259,245)</u>	

**CENTRAL COAST COMMUNITY ENERGY
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 1, 2020 through August 31, 2021**

CCA Program Surplus/(Deficit) per budgetary comparison schedule:	\$ 29,482,245
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(95,493)
Add back capital asset acquisitions	<u>115,553</u>
Change in Net Position	<u><u>\$ 29,502,305</u></u>

CENTRAL COAST COMMUNITY ENERGY
Budget Commentary for significant items
October 1, 2020 through August 31, 2021

Budget Item	YTD Variance	Comment
Electric Sales Revenue	110%	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	101%	Currently there is very little variance. Variances in this category are typically 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	85%	Staffing expenses are under budget due to the timing of new hires.
Professional Services	88%	This category includes accounting, IT, technical and other consultants.
Legal Costs	66%	This category includes outside legal costs for regulatory and energy procurement needs.
Marketing and customer enrollment	75%	Variance is mostly due to the lower than anticipated costs of recent customer enrollments.
Data Management Services	99%	These fees non-discretionary and are charged on a per customer basis.
PG&E Fees	100%	These are PG&E fees charged on a per customer basis.
Other General & Administrative	86%	This category includes occupancy costs, industry membership dues, and other general and administrative costs.
Energy and Related Programs	21%	Programs expenses have generally been delayed until future periods

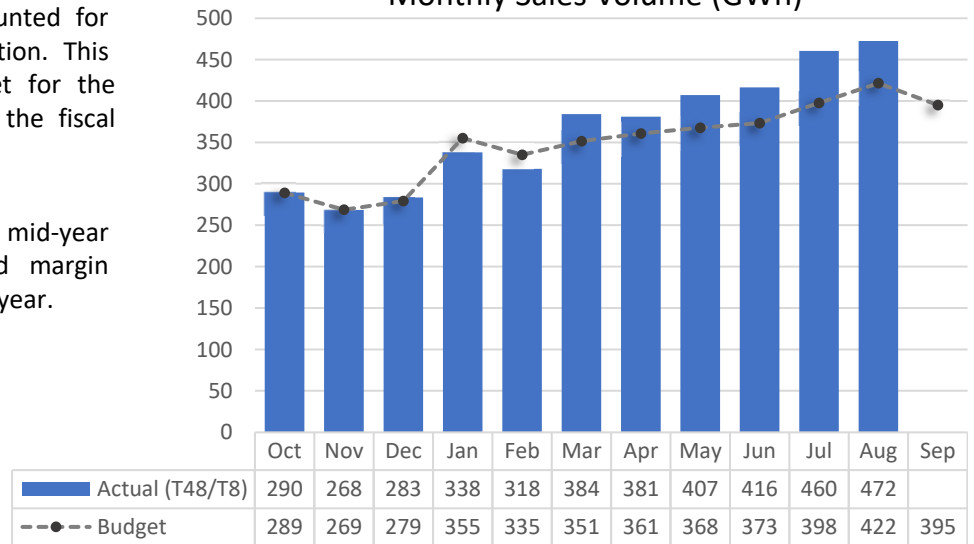
Financial Dashboard: August 2021

CUSTOMERS	SALES VOLUME	REVENUE	STD MARGIN	Δ in NET ASSETS
393,000 ACTIVE	472 GWh	\$36.9M	\$5.2M (14%)	\$3.7M
	<p>■ YTD ■ Month</p> <p>Ag: 18% (YTD), 22% (Month)</p> <p>Com: 46% (YTD), 51% (Month)</p> <p>Res: 36% (YTD), 27% (Month)</p>	<p>■ YTD ■ Month</p> <p>Ag: 16% (YTD), 22% (Month)</p> <p>Com: 45% (YTD), 54% (Month)</p> <p>Res: 39% (YTD), 24% (Month)</p>	<p>Margin %</p> <p>Bud: -\$0.9</p> <p>Act: \$5.2</p> <p>Margin %</p> <p>Bud: -3.1%</p> <p>Act: 14.1%</p>	<p>Revenue \$36.9</p> <p>C.O.E. \$31.7</p> <p>OpEx \$1.5</p> <p>Net Income \$3.7</p>

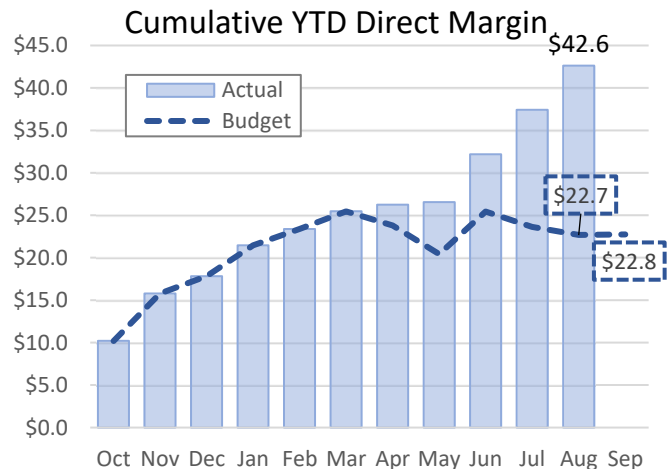
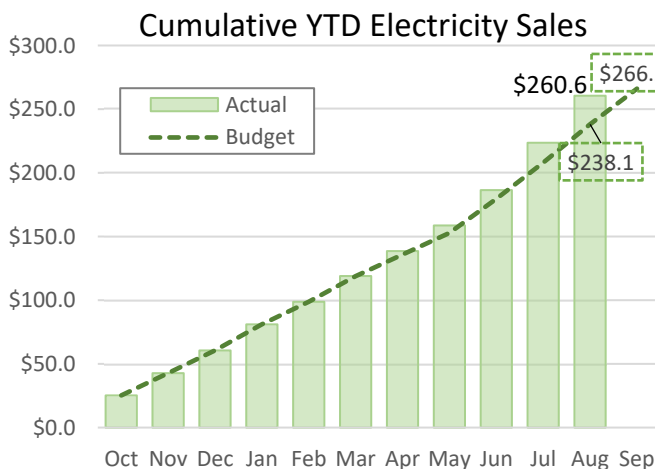
August revenue of \$36.9M accounted for 472 GWh in net retail consumption. This comes in 50 GWh ahead budget for the month and 217 GWh ahead for the fiscal year.

Our YTD Revenue is ahead of mid-year revised budget by \$22.5M, and margin exceeds budget by \$19.9M for the year.

Monthly Sales Volume (GWh)



Fiscal Year Electricity Sales are \$22.5M above budget, Margin dollars are \$19.9M 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 and T+48 when available.
- REVENUE: Total Operating Revenue, net of uncollectible, (excludes Miscellaneous and Interest income).
- NON-OP REV: Other uses, primarily Interest Income
- ELECTRICITY SALES: Sales from electricity (net of uncollectible).
- STD MARGIN: Electricity Sales less cost of energy (Forecasting & scheduling included in Cost of Energy to match budget)
- ACTUAL: Same as sales volume above
- BUDGET: Volumes from Mid-Year FY20/21 budget

CENTRAL COAST COMMUNITY ENERGY
Investment Summary
October 1, 2020 through August 31, 2021

Return of Investments	<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>	\$ 669,481	\$ 89,978	\$ 81,484	\$ 79,921	\$ 78,143	\$ 62,295	\$ 58,145	\$ 50,374	\$ 49,147	\$ 43,747	\$ 40,205	\$ 36,042	
<i>Funds Invested - Average Balance</i>	\$ 149,502,000	\$ 156,073,000	\$ 161,622,000	\$ 166,914,000	\$ 166,500,000	\$ 159,854,000	\$ 160,849,000	\$ 156,007,000	\$ 151,982,000	\$ 154,154,000	\$ 166,210,000		
<i>Average APY</i>		0.72%	0.63%	0.59%	0.56%	0.45%	0.44%	0.38%	0.38%	0.35%	0.31%	0.26%	

CENTRAL COAST COMMUNITY ENERGY
Accounts Receivable Aging Report
As of August 31, 2021

		DAYS				
		0-30	31-60	61-90	90-120	Over 120
Accounts Receivable, net	Total 36,240,000	32,208,000	1,460,000	515,000	637,000	1,420,000
Period %	100%	89%	4%	1%	2%	4%