



TREASURER REPORT

Fiscal Year to Date
As of March 31, 2022

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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 March 31, 2022, 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
May 2, 2022

CENTRAL COAST COMMUNITY ENERGY
STATEMENT OF NET POSITION
As of March 31, 2022

ASSETS

Current assets	
Cash and cash equivalents	\$ 171,745,852
Accounts receivable, net of allowance	30,695,129
Accrued revenue	19,746,576
Prepaid expenses	592,047
Deposits	2,097,750
Restricted cash	294,000
Total current assets	<u>225,171,354</u>
Noncurrent assets	
Capital assets, net of depreciation	284,379
Deposits	23,432
Total noncurrent assets	<u>307,811</u>
Total assets	<u><u>225,479,165</u></u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	27,897,582
Accounts payable	1,158,163
Other accrued liabilities	788,256
Customer rebate liabilities	304,292
User taxes and energy surcharges due to other governments	1,466,134
Total current liabilities	<u>31,614,427</u>
Noncurrent liabilities	
Security deposits - energy suppliers	9,131,250
Total noncurrent liabilities	<u>9,131,250</u>
Total liabilities	<u><u>40,745,677</u></u>

NET POSITION

Investment in capital assets	284,379
Restricted for security collateral	294,000
Unrestricted	184,155,109
Total net position	<u><u>\$ 184,733,488</u></u>

CENTRAL COAST COMMUNITY ENERGY

STATEMENT OF REVENUES, EXPENSES

AND CHANGES IN NET POSITION

Six Months Ended March 31, 2022

OPERATING REVENUES

Electricity sales, net	\$ 153,611,361
Liquidated damages	2,401,875
Total operating revenues	<u>156,013,236</u>

OPERATING EXPENSES

Cost of electricity	151,711,159
Contract services	4,118,106
Staff compensation	3,267,419
General and administration	2,326,961
Depreciation	45,676
Total operating expenses	<u>161,469,321</u>
Operating income (loss)	(5,456,085)

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>201,114</u>
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CHANGE IN NET POSITION

Net position at beginning of period	<u>189,988,459</u>
Net position at end of period	<u>\$ 184,733,488</u>

CENTRAL COAST COMMUNITY ENERGY

STATEMENT OF CASH FLOWS Six Months Ended March 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 163,587,824
Receipts from liquidated damages	2,401,875
Receipts from suppliers and energy settlements	19,828,417
Payments to suppliers for electricity	(160,713,583)
Payments for other goods and services	(6,603,550)
Payments for staff compensation	(3,375,597)
Payments of taxes and energy surcharges to other governments	(3,025,271)
Net cash provided by operating activities	<u>12,100,115</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>201,114</u>
Net change in cash and cash equivalents	12,301,229
Cash and cash equivalents at beginning of year	159,738,623
Cash and cash equivalents at end of period	<u>\$ 172,039,852</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 171,745,852
Restricted cash	294,000
Cash and cash equivalents	<u>\$ 172,039,852</u>

CENTRAL COAST COMMUNITY ENERGY
STATEMENT OF CASH FLOWS (continued)
Six Months Ended March 31, 2022

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income (loss)	\$ (5,456,085)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities	
Depreciation expense	45,676
Provision for uncollectible accounts	244,404
(Increase) decrease in:	
Accounts receivable	6,436,765
Accrued revenue	264,521
Energy settlements receivable	7,856,108
Other receivables	919,329
Prepaid expenses	946,146
Deposits	(379,219)
Increase (decrease) in:	
Accrued cost of electricity	(751,842)
Accounts payable	(74,668)
Other accrued liabilities	(56,521)
Customer rebate liabilities	(1,999)
User taxes and energy surcharges due to other governments	7,500
Security deposits - energy suppliers	2,100,000
Net cash provided by operating activities	<u>\$ 12,100,115</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 March 31, 2022, 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
May 2, 2022

CENTRAL COAST COMMUNITY ENERGY
BUDGETARY COMPARISON SCHEDULE
Six Months Ended March 31, 2022

	2021/22 YTD Budget	2021/22 YTD Actual	2021/22 YTD Budget Variance (Under) Over	2021/22 YTD Actual / Budget %	2021/22 Annual Budget	2021/22 Budget Remaining	2021/22 Budget Remaining / Budget %
REVENUES AND OTHER SOURCES							
Electricity sales	\$ 158,295,000	\$ 156,003,148	\$ (2,291,852)	99%	\$ 359,103,000	\$ 203,099,852	57%
Less bill credit	-	-	-	0%	(3,085,000)	(3,085,000)	100%
Less uncollectible accounts	(1,979,000)	(2,307,872)	(328,872)	117%	(4,489,000)	(2,181,128)	49%
Revenue from damages	\$ -	2,401,875	2,401,875	n/a	-	(2,401,875)	n/a
Investment and miscellaneous income	258,000	201,114	(56,886)	78%	516,000	314,886	61%
Total revenues and other sources	<u>156,574,000</u>	<u>156,298,265</u>	<u>(275,735)</u>	<u>100%</u>	<u>352,045,000</u>	<u>195,746,735</u>	<u>56%</u>
EXPENDITURES AND OTHER USES							
Current Expenditures							
Cost of energy	155,840,000	151,859,177	(3,980,823)	97%	326,335,000	174,475,823	53%
Energy programs (incentives and grants)	6,513,000	1,682,065	(4,830,935)	26%	12,270,000	10,587,935	86%
Data manager	1,884,000	1,857,774	(26,226)	99%	3,774,000	1,916,226	51%
Utility service fees	969,000	878,433	(90,567)	91%	1,893,000	1,014,567	54%
Staffing	4,619,000	3,267,419	(1,351,581)	71%	9,244,000	5,976,581	65%
Professional services	777,000	306,712	(470,288)	39%	1,393,000	1,086,288	78%
Legal services	523,000	463,184	(59,816)	89%	1,037,000	573,816	55%
Marketing and customer enrollment	495,000	343,979	(151,021)	69%	943,000	599,021	64%
Other general & administration	839,000	848,817	9,817	101%	1,625,000	776,183	48%
Total current expenditures	<u>172,459,000</u>	<u>161,507,560</u>	<u>(10,951,440)</u>	<u>94%</u>	<u>358,514,000</u>	<u>197,006,440</u>	<u>55%</u>
Other Uses							
Capital outlay	51,000	1,113	(49,887)	2%	114,000	112,887	99%
Uninterruptible Power Supply expenditures	1,400,000	-	(1,400,000)	0%	2,800,000	2,800,000	100%
Total other uses	<u>1,451,000</u>	<u>1,113</u>	<u>(1,449,887)</u>	<u>0%</u>	<u>2,914,000</u>	<u>2,912,887</u>	
Total Expenditures and Other Uses	<u>173,910,000</u>	<u>161,508,673</u>	<u>(12,401,327)</u>	<u>93%</u>	<u>361,428,000</u>	<u>199,919,327</u>	<u>55%</u>
Surplus (Deficit)	<u>\$ (17,336,000)</u>	<u>\$ (5,210,408)</u>	<u>\$ 12,125,592</u>		<u>\$ (9,383,000)</u>	<u>\$ (4,172,592)</u>	<u>44%</u>

CENTRAL COAST COMMUNITY ENERGY
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
Six Months Ended March 31, 2022

CCA Program Surplus/(Deficit) per budgetary comparison schedule:	\$ (5,210,408)
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(45,676)
Add back capital asset acquisitions	<u>1,113</u>
Change in Net Position	<u><u>\$ (5,254,971)</u></u>

CENTRAL COAST COMMUNITY ENERGY
Budget Commentary for significant items
October 1, 2021 through March 31, 2022

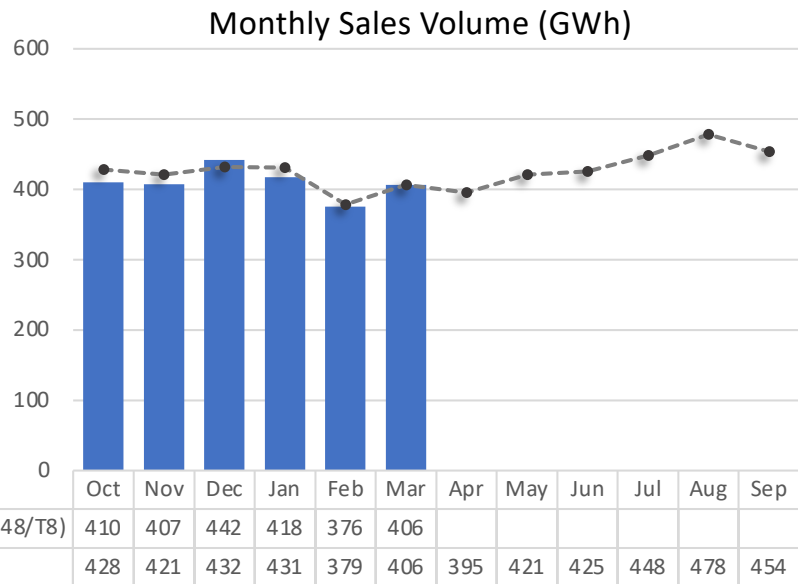
Budget Item	YTD Variance	Comment
Electric Sales Revenue	(1.4%)	Sales revenue includes revenues actually billed to customers as well as estimated customer usage during the reporting period that is not yet billed.
Cost of Energy	(2.6%)	Variances in this category are typically due to (1) timing difference 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	(29.3%)	Staffing expenses are under budget due to the timing of new hires.
Professional Services	(60.5%)	This category includes accounting, IT, technical and other consultants.
Legal Costs	(11.4%)	This category includes outside legal costs for regulatory and energy procurement needs.
Marketing and customer enrollment	(30.5%)	Variance is mostly due to the lower than anticipated costs of recent customer enrollments.
Data Management Services	(1.4%)	These fees non-discretionary and are charged on a per customer basis.
Utility Service Fees	(9.3%)	These are PG&E and SCE fees charged on a per customer basis.
Other General & Administrative	1.2%	This category includes occupancy costs, industry membership dues, and other general and administrative costs.
Energy and Related Programs	(74.2%)	Programs expenses have generally been delayed until future periods

Financial Dashboard: March 2022

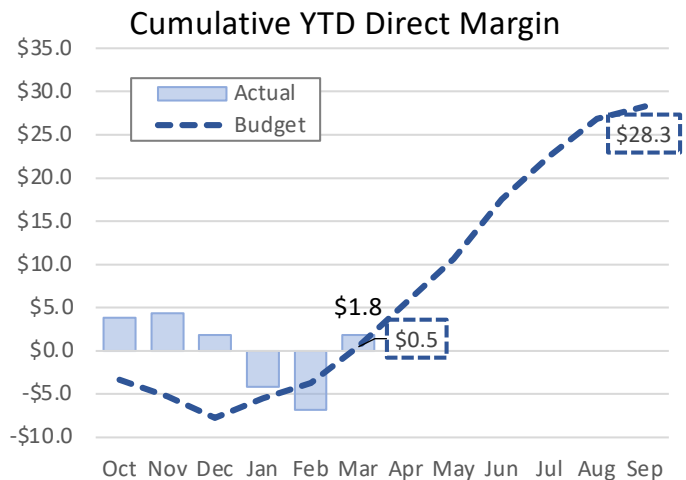
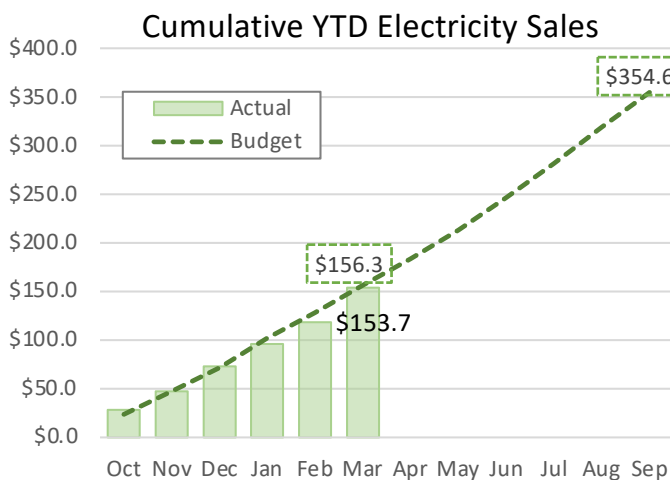
CUSTOMERS	SALES VOLUME	REVENUE	STD MARGIN	Δ in NET ASSETS
445,000 ACTIVE	406 GWh	\$37M	\$8.6M (15%)	\$8.1M

March revenue of \$36.8M accounts for 406 GWh in net retail consumption. This comes in on track with budgeted volume. Revenue includes some catch up for new pricing which took effect last month but wasn't billed until this month.

Our YTD Revenue is behind budget by \$2.6M, but margin exceeds budget by \$1.4M for the year.



Fiscal Year Electricity Sales are \$2.6M behind budget, Margin dollars are \$1.4M above budget.



Data Definitions:

- CUSTOMERS: From GridX invoice + Calpine.
- 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 FY21/22 budget

CENTRAL COAST COMMUNITY ENERGY
Investment Summary
October 1, 2021 through March 31, 2022

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>	\$ 201,114	\$ 34,009	\$ 33,104	\$ 32,526	\$ 31,581	\$ 31,077	\$ 38,817						
<i>Funds Invested - Average Balance</i>	\$ 170,609,000	\$ 178,052,000	\$ 172,266,000	\$ 165,204,000	\$ 167,506,000	\$ 164,310,000							
<i>Average APY</i>		0.24%	0.22%	0.23%	0.23%	0.22%	0.28%						

CENTRAL COAST COMMUNITY ENERGY
Accounts Receivable Aging Report
As of March 31, 2022

		DAYS				
		0-30	31-60	61-90	90-120	Over 120
Accounts Receivable, net	Total 30,695,000	22,695,000	3,252,000	2,830,000	664,000	1,254,000
Period %	100%	74%	11%	9%	2%	4%