

AGENDA

**California Choice Energy Authority
Board of Directors Special Meeting Agenda
May 21, 2024, 1:00 p.m.
City of Lancaster, Council Chamber
44933 Fern Ave., Lancaster CA 93534**

Members of the public can observe the livestream of the meeting via Zoom by clicking:

<https://cityoflanasterca-gov.zoom.us/j/89080929282>

or telephonically by dialing:
(253) 215-8782
Meeting ID: 89080929282

No oral comments may be made via Zoom or telephonically.

Alternate In Person Meeting Locations:

City of Pomona, Water Resources Yard, 752 W. Commercial St, Pomona, CA 91768
Business Center Room, 3730 S. Las Vegas Blvd., Las Vegas, NV. 89158

All documents available for public review are on file with the California Choice Energy Authority (CalChoice) Secretary located at 44933 Fern Avenue, Lancaster, CA 93534.

Members of the public can provide public comment in writing or orally in person as follows:

Written Comments: If you are unable to participate in person and you wish to make a comment, you may submit written comments by 9:00am on the day of the meeting via email to: Susan@CalChoice.org. All written comments will be posted online and become part of the meeting record. Public comments received in writing will not be read aloud at the meeting.

Oral Comments: Members of the public can address the Board in person on items on the agenda at the time the item is being addressed or during Public Comments for topics that are not listed on the agenda. Speakers are limited to three (3) minutes each. In conformance with the Brown Act, no Board action can occur on items presented during Public Comment.

To address the Board regarding an item on the agenda, please fill out a speaker card and submit it to the Board Secretary before the Board Chair announces the item. If you desire to speak during Public Comment, please fill out a speaker card and submit it to the Board Secretary. When you are called to speak, please come forward to the podium and state your name.

CALL TO ORDER

ROLL CALL

FLAG SALUTE

OATH OF OFFICE – New Board Members & Alternates

ACTION ITEMS

Prior to action of the CalChoice Board, any member of the public will have the opportunity to address the CalChoice Board on any item listed on the agenda.

Item 1: California Choice Energy Authority Appointment of Officers

RECOMMENDATION

- 1) California Choice Energy Authority Board of Directors Appoint for a two-year term:
Chair – George Harris or other Board Member;
Vice Chair
- 2) California Choice Energy Authority Board of Directors Appoint:
Chief Executive – Jason Caudle
Board Secretary – Andrea Alexander
Treasurer – Barbara Boswell

BOARD COMMENTS & ANNOUNCEMENTS

PRESENTATIONS – Brown Act Primer – Allison Burns, General Counsel

Consent Calendar

Item 2: Consider Adoption of Resolution No. 2024- 002 Establishing Regular Board Meeting Schedule.

RECOMMENDATION

Adopt Resolution No. 2024- 002 Establishing Regular Board Meeting Schedule.

Item 3: Consider Adoption of Resolution No. 2024-003 Approving Fourth Amended and Restated Bylaws of the California Choice Energy Authority

RECOMMENDATION

Adopt Resolution No. 2024- 003 Approving Fourth Amended and Restated Bylaws of The California Choice Energy Authority.

New Business

Item 4: Consider Adoption of Resolution No. 2024- 004 Approving Fiscal Year 2024/25 California Choice Energy Authority Budget

RECOMMENDATION

Adopt Resolution No. 2024- 004 Approving Fiscal Year 2024/25 California Choice Energy Authority Budget.

Item 5: Chief Executive/General Manager/General Counsel Update

RECOMMENDATION

Receive updates from the Chief Executive/General Manager/General Counsel

PUBLIC COMMENT

Members of the public may address the Board of Directors on any item that is within the jurisdiction of California Choice Energy Authority; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Under the provisions of the Brown Act, the CalChoice Board is prohibited from taking action on non-agendized matters. However, Board Members may respond briefly or refer the communication to staff. The CalChoice Board may also request the Secretary to calendar an item related to your communication at a future Board meeting.

BOARD MEMBER QUESTIONS

BOARD REQUESTS FOR FUTURE AGENDA ITEMS

NEXT MEETING: Regular Board Meeting August 20, 2024, Contingent on Board Approval of Meeting Schedule

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (“ADA”), please contact Susan@calchoice.org prior to the meeting for assistance.

STAFF REPORT
California Choice Energy Authority

05/21/24
JC

Date: May 21, 2024
To: CalChoice Board Members
From: Jason Caudle, Executive Director

Item 1: **Appointment of California Choice Energy Authority Officers**

Recommendation:

- 1) California Choice Energy Authority Board of Directors Appoint for a two-year term:
Chair – George Harris, City of Lancaster, or other Board Member;
Vice Chair

- 2) California Choice Energy Authority Board of Directors Appoint:
Chief Executive – Jason Caudle
Board Secretary – Andrea Alexander
Treasurer – Barbara Boswell

Fiscal Impact:

There is no fiscal impact by this action.

Background:

Section 3,C of the California Choice Energy Authority Joint Powers Agreement states that the Board is to appoint certain officers.

Section 3.C.1 states the Board member appointed by the Lancaster City Manager shall serve as the Chair of the Board of Directors unless a majority of the Board of Directors votes to appoint a different board member as chair. The Chair is to serve a two year term and at the conclusion of the two year term, an election shall be held at which a Chair shall be selected by a majority vote of the Board of Directors. The Board may appoint George Harris, the Board member appointed by the Lancaster City Manager, or appoint another Board member to serve as Chair.

Section 3.C.2 states that a Vice Chair shall be selected by a majority vote of the Board of Directors to serve a two year term. At the conclusion of the two-year term, an election shall be held at which a Vice Chair shall be selected by a majority vote of the Board of Directors for a two year term.

Section 2.4 of the California Choice Energy Authority (CalChoice) Bylaws establishes that the Board of Directors appoint an Executive Director who may be the City Manager of Lancaster, or his or her designee, and shall be responsible for execution and supervision of the affairs of

CalChoice. Jason Caudle has been serving as the Executive Director of CalChoice.

Section 2.5 of the CalChoice Bylaws establishes that the Board of Directors appoint a Clerk of the Board (Secretary) who may be the City Clerk of the City of Lancaster. Andrea Alexander has been serving as the Secretary of CalChoice.

Section 3.C.3 of the CalChoice Joint Powers Agreement establishes that the Board of Directors appoint a Treasurer, Auditor and Controller of CalChoice. Barbara Boswell has been serving as the Treasurer, Auditor and Controller of CalChoice.

Attachment:

None

STAFF REPORT
California Choice Energy Authority

05/21/24
JC

Date: May 21, 2024

To: CalChoice Board Members

From: Jason Caudle, Executive Director

Item 2: **Adopt Resolution No. 2024-002 Establishing California Choice Energy Authority Board Meeting Schedule**

Recommendation:
Adopt Resolution No. 2024-002 establishing Fiscal Year 2024-2025 California Choice Energy Authority Board Meeting Schedule.

Fiscal Impact:
There is no fiscal impact by this action.

Background:
Section D.2 of the California Choice Energy Authority Joint Powers Agreement states that the Board will set the date, hour, and place of regular meetings by resolution, with the Board meeting at least once each year.

Staff recommends the Board meet on the 3rd Tuesday in the months of February, May, August, and November, at 1:00 pm at Lancaster City Council Chambers with teleconference attendance available in accordance with Government Code section 54953(b).

Attachment:
Resolution No. 2024-002 Establishing California Choice Energy Authority Board Meeting Schedule

RESOLUTION NO. 2024-002

A RESOLUTION OF THE CALIFORNIA CHOICE ENERGY
AUTHORITY, ESTABLISHING THE REGULAR
BOARD MEETING SCHEDULE

WHEREAS, the California Choice Energy Authority (CalChoice) Joint Exercise of Powers Agreement Section D.2 states that the Board set the date, hour, and place of regular meetings via resolution; and

WHEREAS, the CalChoice Board desires to meet quarterly.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA CHOICE ENERGY AUTHORITY:

Section 1. The California Choice Energy Authority regular board meetings are to be held on the third Tuesday of the months of February, May, August, and November, at 1:00pm at Lancaster City Council Chambers.

PASSED, APPROVED, and ADOPTED this 21st day of May 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

ANDREA ALEXANDER
Board Secretary
California Choice Energy Authority

GEORGE HARRIS
Chair
California Choice Energy Authority

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CALIFORNIA CHOICE ENERGY AUTHORITY

I, _____ of California Choice Energy Authority, do hereby certify that this is a true and correct copy of the original Resolution No. 2024-002, for which the original is on file in my office.

WITNESS MY HAND, on this ____ day of _____ .

STAFF REPORT
California Choice Energy Authority

05/21/24
JC

Date: May 21, 2024

To: CalChoice Board Members

From: Allison Burns, General Counsel

Item 3: **Adopt Resolution No. 2024-003 Approving Fourth Amended and Restated Bylaws of California Choice Energy Authority**

Recommendation:
Adopt Resolution No. 2024-003 adopting proposed Fourth Amended and Restated Bylaws of California Choice Energy Authority.

Fiscal Impact:
None.

Background:
The California Choice Energy Authority Bylaws were amended on February 13, 2024. Section 2.6 of the Bylaws requires revision to conform to the provisions of the Second Amendment to the Joint Exercise of Powers Agreement Relating to the California Choice Energy Authority approved on January 23, 2024.

This action updates Section 2.6 to reflect the Treasurer is to be appointed by the Board, to conform with the Joint Exercise of Powers Agreement.

Attachment:
Resolution No. 2024-003 Approving Fourth Amended and Restated Bylaws of California Choice Energy Authority

RESOLUTION NO. 2024-003

RESOLUTION OF THE CALIFORNIA CHOICE ENERGY
AUTHORITY APPROVING FOURTH AMENDED AND
RESTATED BYLAWS OF THE
CALIFORNIA CHOICE ENERGY AUTHORITY

WHEREAS, the California Choice Energy Authority (“Authority”) is a joint exercise of powers authority created under the Joint Exercise of Powers Act (California Government Code Section 6500, *et seq.*) by that certain agreement dated August 14, 2012, and originally entitled “Joint Exercise of Powers Agreement Relating to the California Clean Energy Authority (“JPA Agreement”); and

WHEREAS, the Authority changed its name to the “California Choice Energy Authority” via its adoption of the First Amendment to the JPA Agreement dated March 28, 2017 (“First Amendment”); and

WHEREAS, the Authority desires to adopt amended and restated bylaws.

NOW, THEREFORE, THE BOARD OF THE CALIFORNIA CHOICE ENERGY AUTHORITY, DOES HEREBY RESOLVE, DETERMINE AND ORDER, AS FOLLOWS:

Section 1. The foregoing recitals are true and correct.

Section 2. The Authority Members hereby approve the Fourth Amended and Restated Bylaws of the California Choice Energy Authority, attached hereto as Exhibit A.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED this 21st day of May 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

ANDREA ALEXANDER
Secretary
California Choice Energy Authority

GEORGE HARRIS
Chair
California Choice Energy Authority

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CALIFORNIA CHOICE ENERGY AUTHORITY

I, _____, do hereby certify that this is a true and correct copy of the original Resolution No. 2024-003 for which the original is on file in my office.

WITNESS MY HAND on this _____ day of _____.

EXHIBIT A

Fourth Amended and Restated Bylaws of
The California Choice Energy Authority
Approved: _____

ARTICLE 1 THE AUTHORITY

Section 1.1 Name

The official name of the Authority shall be the “California Choice Energy Authority.” The Authority was created pursuant to the Joint Exercise of Powers Agreement, dated August 14, 2012 (Agreement), between the City of Lancaster (“Lancaster”) and the City of San Jacinto (“San Jacinto”). The Authority has and may add additional members per the terms of the Joint Exercise of Powers Agreement.

Section 1.2 Authority Board Members

The Authority shall be administered by a governing Board of Directors (the “Board”) as set forth in the Agreement.

Section 1.3 Principal Office

The principal office for the transaction of the business of the Authority shall be the Lancaster City Hall, located at 44933 Fern Avenue, Lancaster, California, or at such other place as may be designated by the Board by resolution.

Section 1.4 Compensation

Members of the Board shall receive no compensation for attendance at an Authority meeting. Authority Members may be reimbursed for any expenses actually incurred in connection with serving as a member of the Board.

Section 1.5 Conflicts of Interest

The Authority shall adopt a conflict of interest code pursuant to, and in accordance with, the Fair Political Practices Act.

ARTICLE 2 OFFICERS

Section 2.1 Officers

The Officers of the Authority shall be the Chair, Vice Chair, Executive Director, Secretary and Treasurer/Auditor-Controller.

Section 2.2 Chair

The Board member appointed by the Lancaster City Manager shall serve as the Chair of the Board of Directors unless a majority of the Board of Directors votes to appoint a different board member as the Chair of the Board of Directors, in which event, such Board member shall serve as Chair of the Board of Directors for a two (2) year term. At the conclusion of such two (2) year term, and every two (2) years thereafter, an election shall be held at which a Chair shall be selected by majority vote of the Board of Directors for a two (2) year term. The chair shall have no authority greater than any other board member except as set forth in the Agreement and/or these By-laws.

Section 2.3 Vice Chair

Upon approval of the Second Amendment to Joint Exercise of Powers Agreement, and every two years thereafter, an election shall be held at which a Vice Chair shall be selected by majority vote of the Board of Directors for a two year term. In the event that the Board of Directors elects a Chair pursuant to Section 2.2 above, an election shall be held for Vice Chair at the same Board of Directors meeting at which a Chair is elected. At the conclusion of such two (2) year term, and every two (2) years thereafter, an election shall be held at which a Vice Chair shall be selected by majority vote of the Board of Directors for a two (2) year term. The Vice Chair shall perform the duties of the Chair in the absence or incapacity of the Chair, until such time as a new Chair is selected or appointed.

Section 2.4 Chief Executive/Executive Director

The Board shall appoint a Chief Executive/Executive Director (hereafter “Executive Director”) who may be the City Manager of Lancaster, or his or her designee, and shall be responsible for execution and supervision of the affairs of the Authority. Except as otherwise authorized by vote of the Board, the Executive Director or his or her designee shall sign all contracts, deeds and other instruments executed by the Authority. The Executive Director shall also perform other such functions and duties as may be delegated to him or her by vote of the Board.

Section 2.5 Secretary

The Board shall appoint a Clerk of the Board who may be the City Clerk of Lancaster.

Section 2.6 Treasurer/Auditor-Controller

The Board shall appoint a Treasurer/Auditor-Controller. Subject to the applicable provisions of any trust agreement, indenture or resolution providing for a trustee or other fiscal agent, the Treasurer/Auditor-Controller is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and shall file an official bond if so required by the Board in accordance with these By-laws and, as such, shall have the powers, duties and responsibilities specified in Section 6505.1 of the Joint Exercise of Powers Act (the “Act”), set forth at California Government Code Sections 6500 et seq., as amended. The Treasurer/Auditor-Controller shall perform all duties of a treasurer, as outlined in Section 6505.5 of the Act; however, the Board shall have the discretion to transfer this function to a certified public accountant, consistent with Section 6505.5.

Section 2.7 Confirmation of Officers

Confirmation of officers shall be the first order of business at the first meeting of the Authority, regular or special, held in each fiscal year.

Section 2.8 Authority to Bind Authority

No member, officer, agent or employee of the Authority shall have any power or authority to bind the Authority by any contract, to pledge its credit, or to render it liable for any purpose in any amount, except to the extent that such person has been granted or delegated prior specific or general authority by vote of the Board.

ARTICLE 3 EMPLOYEES AND AGENTS

Section 3.1 Appointment of Employees and Agents

The Authority, through the Executive Director, may from time to time request from the respective authority Members the services of such personnel, counsel or agents, permanent or temporary, as may be necessary to carry out the business and affairs of the Authority. The Board, or the Executive Director if so delegated by vote of the Board, may in addition employ or contract with temporary professional and technical personnel for the performance of Authority business and affairs, on such terms and at such rates of compensation as the Board, or Executive Director if so delegated by the Board, may determine; provided, however, that adequate sources of funds are identified for the payment of such temporary professional and technical services. Staff from Authority Members supporting the Authority shall be paid/reimbursed from the Authority for all applicable time billed at their fully-burdened hourly rate, as approved by the Executive Director of the Authority or as pursuant to a reimbursement agreement.

ARTICLE 4 MEETINGS

Section 4.1 Ralph M. Brown Act

The Ralph M. Brown Act (Cal. Gov't Code §54950 et seq.) (the "Brown Act") applies to all meetings of the Board.

Section 4.2 Regular Meetings

The Board shall hold regular meetings as specified by Board resolution, and the date, hour and place of the regular meetings shall be fixed by such Board resolution. To the extent permitted by the Brown Act, such meetings may be held by telephone conference.

Section 4.3 Special Meetings

A special meeting may be called at any time by the Chair or the Executive Director in accordance with the Brown Act.

Section 4.4 Closed Sessions

Nothing contained in these By-laws shall be construed to prevent the Board from holding closed sessions during a regular or special meeting concerning any matter permitted by law to be considered in a closed session. All closed sessions shall be held pursuant to and in accordance with the Brown Act.

Section 4.5 Public Hearings

All public hearings held by the Board shall be held during regular or special meetings of the Board.

Section 4.6 Quorum

A majority of the authorized number of Board members shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other official purposes, except that less than a quorum may adjourn from time to time until a quorum is obtained. Any action or decision of the Authority shall be on motion duly approved by a majority of a quorum of the Board at a lawfully held meeting.

Section 4.7 Adjourning Meetings and Continuing Public Hearings to Other Times or Places
The Board may adjourn any meeting to a time and place specific in the order of adjournment. If all Board members are absent from any regular meeting or adjourned regular meeting, the Secretary or acting Secretary of the Authority may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as provided for special meetings unless such notice is waived as provided for special meetings. A copy of the order or notice of adjournment shall be noticed and conducted in accordance with the Brown Act. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specific for regular meetings.

Any public hearing being held, or any hearing noticed or ordered to be held at any meeting may by order or notice of continuance be continued or re-continued to any subsequent meeting and to the same extent set forth herein for the adjournment of the meetings; provided, that if the hearing is continued to a time less than twenty-four (24) hours after the time specific in the order or notice of hearing a copy of the order or notice of continuance shall be posted immediately following the meeting at which the order or declaration of continuance was adopted or made.

Section 4.8 Order of Business.
The Executive Director shall prepare the agenda for all meetings of the Authority. Business shall be conducted according to the agenda, except when determined by the Board as permitted by law.

Section 4.9 Parliamentary Procedure
The presiding officer at the meeting shall determine the rules of conduct. The presiding officer may be guided by the rules of parliamentary procedure set forth in Robert's Rules of Order, but failure to follow Robert's Rules of Order shall not affect the validity of any action or motion duly taken or adopted by the board at any lawfully held meeting.

ARTICLE 5 ADDITION OR REMOVAL OF MEMBER AGENCY

Section 5.1 Adding Member
The Board may decide to add a member by a majority vote and execution of the Membership Agreement, attached hereto as Exhibit "A" and incorporated into these By-laws by reference.

Section 5.2 Membership
Any local agency in the state of California may, with the approval of the Board, become a Member of the Authority by delivering to the Authority a , substantially in the form attached as Exhibit "A," duly approved and executed by the local agency's governing body. Any Member shall be entitled to participate in all programs and other undertakings of the Authority, including, without limitation, the construction and financing of any local public improvement, the establishment, implementation and operation of a Community Choice Aggregation (as defined in the Cal. Public Utilities Code), and/or any other Authority programs and undertakings.

Section 5.3 Committees.

The Board may establish any advisory committee as the Board deems appropriate to assist the Board in carrying out its functions. The Board may establish rules, regulations, policies, or procedures to govern any such committees and shall determine whether members shall be compensated or entitled to reimbursement for expenses.

Section 5.4 Termination of Membership

A Member may, upon request, terminate its membership in Authority upon the conclusion of the term of every Energy Contract that the Authority has entered into on behalf of the Member that has not been assigned to the Member. Upon receipt of an Member's request to commence the process terminate its membership, the Authority shall take all reasonably practicable steps to assist the Member to negotiate the assignment and assumption of all Energy Contracts that the Authority has entered into on behalf of the Member to the Member and otherwise to facilitate the Member's disassociation from the Authority. Upon assignment and assumption of all Energy Contracts (or expiration of the term of each such Energy Contract), the Authority and the departing Member shall negotiate and execute an agreement documenting the termination of the Member's membership in Authority ("Termination Agreement") and assumption of all rights, duties and obligations pertaining to all Energy Contracts, Administrative Services Agreement(s), technical and/or operational support agreement(s) and/or other contracts entered by Authority on such Member's behalf. The Authority shall be guided in its negotiation of the Termination Agreement by the principles of 1) ensuring the Authority and the Member's financial obligations are fairly and equitably divided, including, but not limited to, requiring the departing Member to replace and/or substitute collateral (or the applicable portion thereof) previously deposited by the Authority on such Member's behalf; 2) making best efforts to facilitate the departing Member's departure by negotiating in good faith for the assignment and/or termination of agreements with third parties entered into in whole or in part on behalf of such Member without compromising Authority's ongoing contracts and/or relationships with such third parties; and 3) not unreasonably delaying, withholding and/or conditioning its consent to such Termination Agreement.

ARTICLE 6 AUTHORITY BONDS OR OTHER DEBT INSTRUMENTS

Section 6.1 Voting Requirement

The Authority shall not issue any bonds, certificates of participation or other debt instruments without prior approval of the Members. Any Member which does not approve issuance of a bond, certificate of participation or other debt instrument shall not be liable for the repayment of such bond, certificate of participation or other debt instrument.

ARTICLE 7 AMENDMENTS

Section 7.1 Amendment by the Board of Directors

The Board may, by resolution, adopt, amend or repeal the Authority's By-laws.

EXHIBIT "A"

CERTIFICATE OF SECRETARY

I certify that I am the duly appointed and acting Secretary of the California Choice Energy Authority, created in accordance with the provisions of the Joint Exercise of Powers Act (Cal. Gov't. Code §§6500 et seq.); that these By-laws, consisting of a total of eight (8) pages, constitute the By-laws of this Authority as adopted by the Board of Directors on _____; and that these By-laws have not been amended or modified since that date.

Executed on _____ at _____, California.

Secretary

STAFF REPORT
California Choice Energy Authority

05/21/24
JC

Date: May 21, 2024

To: CalChoice Board Members

From: Jason Caudle, Executive Director

Item 4: **Adopt Resolution No. 2024-004 Approving Proposed California Choice Energy Authority Fiscal Year 2024-2025 Budget**

Recommendation:
 Adopt Resolution No. 2024-004 adopting proposed California Choice Energy Authority (“CalChoice”) Fiscal Year 2024-2025 Budget.

Fiscal Impact:
 CalChoice proposed expenditures are funded through service fees charged to its members. The current service fees generate sufficient revenue to fund the proposed expenditure budget. No Administrative Service Fee increase is recommended.

Background:
 CalChoice provides implementation and operational support services to cities that wish to participate in community choice aggregation (CCA). CalChoice currently has eight associate members, all of which are operating successful CCA programs. The current CalChoice member agencies include the Town of Apple Valley and the cities of Lancaster, Palmdale, Pico Rivera, Pomona, Rancho Mirage, San Jacinto, and Santa Barbara.

CalChoice aggregates member energy load for procurement of energy and energy products, legal services, and technical and operational support services for its member agencies to achieve efficiencies and maximize revenues for each associate member. By joining together, CalChoice is able to cut costs for each member agency through the benefits of economy of scale.

Proposed FY 24/25 Budget
 The proposed budget reflects expenditures based on current levels of service and contracts. Sufficient revenue is generated at the current Associate Member Service Fees to cover costs. The following chart summarizes the proposed operational budget:

DESCRIPTION	FY 23/24 BUDGET	FY23/24 ESTIMATED	FY24/25 PROPOSED
Revenues	\$1,993,520	\$2,088,361	\$2,086,520
Expenditures	\$2,220,357	\$1,627,067	\$2,026,165
Net Results of Operations	(\$226,837)	\$461,294	\$60,355
Beginning Fund Balance	\$1,544,173	\$1,009,951	\$1,471,245
Ending Fund Balance	\$1,317,336	\$1,471,245	\$1,531,600

Fiscal Year 2024/25 Budget

The FY24/25 proposed operating budget is balanced, with revenues exceeding expenditures by \$60,355. Ending fund balance is projected to increase from \$1,471,245 to \$1,531,600, representing 75.6% of operating expenditures. The reserves are needed to provide cash flows for pass through costs.

In addition to the operational budget, there are pass through costs that are budgeted, including energy procurements and professional services that are for the benefit of individual agencies.

The proposed budget for these pass throughs are:

DESCRIPTION	FY 23/24 BUDGET	FY23/24 ESTIMATED	FY24/25 PROPOSED
Energy Pass Through Revenues	\$32,168,768	\$32,168,768	\$32,168,768
Energy Pass Through Expenditures	\$32,168,768	\$32,168,768	\$32,168,768
Professional Services Pass Through Revenue	\$7,413,859	\$7,413,859	\$7,413,859
Professional Services Pass Through Expenditures	\$7,413,859	\$7,413,859	\$7,413,859

Attachment:

Resolution No. 2024-004 Approving Fiscal Year 2024/2025 California Choice Energy Authority Budget

RESOLUTION NO. 2024-004

A RESOLUTION OF THE CALIFORNIA CHOICE ENERGY
AUTHORITY, ADOPTING THE PROPOSED
FISCAL YEAR 2024/2025 BUDGET, AS SPECIFIED
IN THE PRESENTED ATTACHMENT

WHEREAS, the California Choice Energy Authority (CalChoice) Board of Directors has reviewed the proposed Fiscal Year 2024/2025 Budget; and

WHEREAS, the CalChoice proposed Fiscal Year 2024/2025 Budget is in balance, with revenues and reserves sufficient to fund proposed expenditures.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA CHOICE ENERGY AUTHORITY:

Section 1. The California Choice Energy Authority Fiscal Year 2024/2025 Budget (Attachment A) is hereby adopted.

PASSED, APPROVED, and ADOPTED this 21st day of May 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

ANDREA ALEXANDER
Board Secretary
California Choice Energy Authority

GEORGE HARRIS
Chair
California Choice Energy Authority

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CALIFORNIA CHOICE ENERGY AUTHORITY

I, _____ of California Choice Energy Authority, do hereby certify that this is a true and correct copy of the original Resolution No. 2024-004, for which the original is on file in my office.

WITNESS MY HAND on this ____ day of _____ .

California Choice Energy Authority
Fiscal Year 2023/24 Adopted & Fiscal Year 2024/25 Proposed

	FY 2023/24 Budget	FY 2023/24 Estimates thru 6/30/24	FY 2024/25 Proposed Budget	FY 2024/25 Proposed Budget Change from FY 2023/24
Administrative Service Agreements				
Apple Valley ASA Revenue	151,812.00	151,812.00	151,812.00	\$ -
LancasterASA Revenue	364,356.00	364,356.00	364,356.00	\$ -
Palmdale ASA Revenue	364,356.00	364,356.00	364,356.00	\$ -
Pico Rivera ASA Revenue	137,844.00	137,844.00	137,844.00	\$ -
Pomona ASA Revenue	410,052.00	410,052.00	410,052.00	\$ -
Rancho Mirage ASA Revenue	200,364.00	200,364.00	200,364.00	\$ -
San Jacinto ASA Revenue	109,920.00	109,920.00	109,920.00	\$ -
Santa Barbara ASA Revenue	252,816.00	252,816.00	252,816.00	\$ -
Total Administrative Service Agreements	\$ 1,991,520.00	\$ 1,991,520.00	\$ 1,991,520.00	\$ -
Sponsorship Income	\$ -	\$ 11,600.00	\$ 10,000.00	\$ (1,600.00)
Interest Income	\$ 2,000.00	\$ 85,240.50	\$ 85,000.00	\$ (240.50)
Net Revenue Avail for Operating Expenditures	\$ 1,993,520.00	\$ 2,088,360.50	\$ 2,086,520.00	\$ (1,840.50)
OPERATING EXPENDITURES				
CalChoice Operating Expenditures				
CPUC workshops/Seminars/Travel	\$ 40,000.00	\$ 20,731.50	\$ 30,000.00	\$ 9,268.50
Promotion & Advertising (Marketing)	\$ -	\$ 130,736.00	\$ 163,660.00	\$ 32,924.00
Publications & Dues	\$ -	\$ 1,881.00	\$ 2,750.00	\$ 869.00
Office Supplies	\$ 180.00	\$ -	\$ -	\$ -
Insurance Expense	\$ 50,000.00	\$ 15,090.00	\$ 20,000.00	\$ 4,910.00
Professional Services	\$ -	\$ 905,030.00	\$ 1,055,600.00	\$ 150,570.00
Software & Support	\$ -	\$ 9,313.00	\$ 9,870.00	\$ 557.00
CalChoice Board Admin			\$ 50,000.00	\$ 50,000.00
Program Development	\$ 250,000.00	\$ -	\$ 25,000.00	\$ 25,000.00
Legal Services - General & Procurement	\$ 175,000.00	\$ 100,000.00	\$ 175,000.00	\$ 75,000.00
Legal Services - Regulatory	\$ 470,000.00	\$ 300,000.00	\$ 350,000.00	\$ 50,000.00
Lancaster Administrative Overhead	\$ 144,285.00	\$ 144,285.00	\$ 144,285.00	\$ -
Total CalChoice Operating Expenditures	\$ 2,220,357.00	\$ 1,627,066.50	\$ 2,026,165.00	\$ 399,098.50
Associate Member Professional Services Pass Throughs				
Apple Valley - Professional Services Revenue	(826,264)	(754,423)	(829,873)	(75,449)
Apple Valley - Data Mgmt	396,000	390,973	396,000	5,027
Apple Valley - Professional Svcs	430,264	363,450	433,873	70,423
Lancaster - Professional Services Revenue	(1,290,292)	(1,266,353)	(1,308,702)	(42,349)
Lancaster - Data Mgmt	804,000	809,851	816,000	6,149
Lancaster - Professional Svcs	486,292	456,502	492,702	36,200
Palmdale - Professional Services Revenue	(1,133,152)	(1,071,368)	(1,199,752)	(128,384)
Palmdale - Data Mgmt	720,000	708,142	720,000	11,858
Palmdale - Professional Svcs	413,152	363,226	479,752	116,526
Pico Rivera - Professional Services Revenue	(654,700)	(580,927)	(662,570)	(81,644)
Pico Rivera - Data Mgmt	235,200	230,575	240,000	9,425
Pico Rivera - Professional Svcs	419,500	350,352	422,570	72,219
Pomona - Professional Services Revenue	(1,031,242)	(960,750)	(1,036,100)	(75,349)
Pomona - Data Mgmt	576,000	553,255	576,000	22,745
Pomona - Professional Svcs	455,242	407,495	460,100	52,604
Rancho Mirage - Professional Services Revenue	(698,404)	(626,369)	(702,220)	(75,850)
Rancho Mirage - Data Mgmt	264,000	254,893	264,000	9,107
Rancho Mirage - Professional Svcs	434,404	371,476	438,220	66,744
San Jacinto - Professional Services Revenue	(666,118)	(527,177)	(668,919)	(141,743)

San Jacinto - Data Mgmt	252,000	181,658	252,000	70,343
San Jacinto - Professional Svcs	414,118	345,519	416,919	71,400
Santa Barbara - Professional Services Revenue	(1,001,170)	(953,479)	(1,005,724)	(52,245)
Santa Barbara - Data Mgmt	552,000	537,069	552,000	14,931
Santa Barbara - Professional Svcs	449,170	416,410	453,724	37,314
Total Professional Services Revenues/Expenditures	-	-	-	-

Energy Revenue/Expenditures

Apple Valley - Energy Revenue	\$ 2,794,762.00	\$ 2,794,762.00	\$ 2,794,762.00	\$ -
Apple Valley - Energy Expenses	\$ (2,794,762.00)	\$ (2,794,762.00)	\$ (2,794,762.00)	\$ -
Lancaster - Energy Revenue	\$ 13,873,062.00	\$ 13,873,062.00	\$ 13,873,062.00	\$ -
Lancaster - Energy Expenses	\$ (13,873,062.00)	\$ (13,873,062.00)	\$ (13,873,062.00)	\$ -
Palmdale - Energy Revenue	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ -
Palmdale - Energy Expenses	\$ (3,000,000.00)	\$ (3,000,000.00)	\$ (3,000,000.00)	\$ -
Pico Rivera - Energy Revenue	\$ 1,738,975.00	\$ 1,738,975.00	\$ 1,738,975.00	\$ -
Pico Rivera - Energy Expenses	\$ (1,738,975.00)	\$ (1,738,975.00)	\$ (1,738,975.00)	\$ -
Pomona - Energy Revenue	\$ 2,107,984.00	\$ 2,107,984.00	\$ 2,107,984.00	\$ -
Pomona - Energy Expenses	\$ (2,107,984.00)	\$ (2,107,984.00)	\$ (2,107,984.00)	\$ -
Rancho Mirage - Energy Revenue	\$ 4,061,269.00	\$ 4,061,269.00	\$ 4,061,269.00	\$ -
Rancho Mirage - Energy Expenses	\$ (4,061,269.00)	\$ (4,061,269.00)	\$ (4,061,269.00)	\$ -
San Jacinto - Energy Revenue	\$ 2,010,085.00	\$ 2,010,085.00	\$ 2,010,085.00	\$ -
San Jacinto - Energy Expenses	\$ (2,010,085.00)	\$ (2,010,085.00)	\$ (2,010,085.00)	\$ -
Santa Barbara - Energy Revenue	\$ 2,582,631.00	\$ 2,582,631.00	\$ 2,582,631.00	\$ -
Santa Barbara - Energy Expenses	\$ (2,582,631.00)	\$ (2,582,631.00)	\$ (2,582,631.00)	\$ -
Total Energy Revenue/Expenditures	\$ -	\$ -	\$ -	\$ -

Total Expenditures	\$ 2,220,357.00	\$ 1,627,066.50	\$ 2,026,165.00	\$ 399,098.50
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PROGRAM ACTIVITIES

Program Revenue

DAC-GT Program Revenue	577,807.00	\$ 805,388.00	206,585.00	(598,803.00)
Adjustment for Unearned Revenue	-	(790,534.67)		790,534.67

Total Program Funds	\$ 577,807.00	\$ 14,853.33	\$ 206,585.00	\$ 191,731.67
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Program Expenditures

DAC-GT - Professional Svcs	\$ 513,907.00	\$ 3,654.67	\$ 64,978.00	\$ 61,323.33
DAC-GT Energy Associated Costs			\$ 133,507.00	\$ 133,507.00
DAC-GT - Legal Fees	\$ 63,900.00	\$ 11,198.67	\$ 8,100.00	\$ (3,098.67)

Program Expenditures	\$ 577,807.00	\$ 14,853.33	\$ 206,585.00	\$ 191,731.67
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Net Program Revenues/Expenditures	\$ -	\$ 0.00	\$ -	\$ -
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CHANGE IN NET POSITION	\$ (226,837.00)	\$ 461,294.00	\$ 60,355.00	\$ (400,939.00)
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STATEMENT OF NET POSITION

Results of Operations:	\$ (226,837.00)	\$ 461,294.00	\$ 60,355.00
Beginning Net Position	1,544,173.00	1,009,951.00	1,471,245.00
NET POSITION, END OF FISCAL YEAR	\$ 1,317,336.00	\$ 1,471,245.00	\$ 1,531,600.00

STATEMENT OF FUND BALANCE

Designated Reserves			
Operating Reserve	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,400,000.00
Total Designated Reserves	\$ 1,000,000.00	\$ 1,400,000.00	\$ 1,400,000.00
Undesignated Reserves	317,336.00	71,245.00	131,600.00
TOTAL RESERVES	\$ 1,317,336.00	\$ 1,471,245.00	\$ 1,531,600.00