

# **Ohio Public Power Educational Institute**

**Financial Statements  
December 31, 2008 and 2007**

**Ohio Public Power Educational Institute**  
**Index**  
**December 31, 2008 and 2007**

---

	<b>Page(s)</b>
<b>Report of Independent Auditors</b> .....	1
<b>Financial Statements</b>	
Statements of Financial Position.....	2
Statements of Activities.....	3
Statements of Cash Flows .....	4
Notes to Financial Statements .....	5

**Report of Independent Auditors**

Board of Trustees  
Ohio Public Power Educational Institute

In our opinion, the accompanying statements of financial position and the related statements of activities and cash flows present fairly, in all material respects, the financial position of Ohio Public Power Educational Institute (the "Institute") as of December 31, 2008 and 2007, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

*PricewaterhouseCoopers LLP*

April 1, 2009

**Ohio Public Power Educational Institute**  
**Statements of Financial Position**  
**December 31, 2008 and 2007**

---

	2008	2007
<b>Assets</b>		
Cash and cash equivalents	\$ 257,094	\$ 328,773
Accounts receivable	184,535	17,075
Other assets	1,533	1,442
Total assets	<u>\$ 443,162</u>	<u>\$ 347,290</u>
<b>Liabilities and Unrestricted Net Assets</b>		
Liabilities		
Accounts payable	\$ 97,596	\$ 5,902
Due to affiliate	24,767	6,364
Total liabilities	<u>122,363</u>	<u>12,266</u>
Unrestricted net assets	<u>320,799</u>	<u>335,024</u>
Total liabilities and unrestricted net assets	<u>\$ 443,162</u>	<u>\$ 347,290</u>

The accompanying notes are an integral part of these financial statements.

**Ohio Public Power Educational Institute**  
**Statements of Activities**  
**Years Ended December 31, 2008 and 2007**

---

	2008	2007
<b>Revenues</b>		
Subscriptions	\$ 168,485	\$ 165,280
Training courses	56,635	64,495
Members' conferences	94,298	92,665
Municipal electric associates	26,800	21,655
Interest and other	6,294	18,078
Total revenues	<u>352,512</u>	<u>362,173</u>
<b>Expenses</b>		
Municipal Energy Services Agency services	102,056	130,278
Members' conference	120,971	101,890
Public Power News—publishing and postage	73,927	65,729
Outside services and training course materials	57,022	54,692
Professional services	7,920	8,307
Circuit rider and other	4,841	4,899
Total expenses	<u>366,737</u>	<u>365,795</u>
Change in unrestricted net assets	(14,225)	(3,622)
Unrestricted net assets, beginning of year	<u>335,024</u>	<u>338,646</u>
Unrestricted net assets, end of year	<u>\$ 320,799</u>	<u>\$ 335,024</u>

The accompanying notes are an integral part of these financial statements.

**Ohio Public Power Educational Institute**  
**Statements of Cash Flows**  
**Years Ended December 31, 2008 and 2007**

---

	2008	2007
<b>Cash flows from operating activities</b>		
Change in unrestricted net assets	\$ (14,225)	\$ (3,622)
Changes in assets and liabilities		
Accounts receivable	(167,460)	2,425
Due from affiliate	-	4,622
Other assets	(91)	-
Accounts payable	91,694	(62,836)
Due to affiliate	18,403	1,415
Net cash used in operating activities	<u>(71,679)</u>	<u>(57,996)</u>
Cash and cash equivalents, beginning of year	328,773	386,769
Cash and cash equivalents, end of year	<u>\$ 257,094</u>	<u>\$ 328,773</u>

The accompanying notes are an integral part of these financial statements.

# Ohio Public Power Educational Institute

## Notes to Financial Statements

### December 31, 2008 and 2007

---

#### 1. Organization

Ohio Public Power Educational Institute (the "Institute") began operations in May 1986. The Institute was formed to collect, develop, assemble and disseminate information concerning the public power industry primarily in the state of Ohio to its members and the public. The institute distributes this information using appropriate media including, but not limited to, manuals, bulletins, pamphlets, reports, audio-visual communications, training courses and member conferences.

#### 2. Summary of Significant Accounting Policies

##### **Basis of Accounting**

The financial statements of the Institute have been prepared on the accrual basis of accounting in accordance with the financial reporting guidelines established for certain nonprofit organizations by the American Institute of Certified Public Accountants.

##### **Cash and Cash Equivalents**

For purposes of the statements of cash flows, cash and cash equivalents consist of highly-liquid cash and short-term investments with maturities of three months or less.

##### **Revenues**

Revenues are recognized when earned.

##### **Net Assets**

The Institute classifies assets as unrestricted, temporarily restricted or permanently restricted depending on the existence and nature of any donor restriction. There were no temporarily or permanently restricted net assets at December 31, 2008 or 2007.

##### **Income Taxes**

The Internal Revenue Service has ruled that the Institute is a tax-exempt organization as defined under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the financial statements.

##### **Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### 3. Related Party Transactions

The Institute reimburses Municipal Energy Services Agency ("MESA"), an affiliated organization, for financial, administrative and other services performed on behalf of the Institute by MESA. The statements of activities include \$102,056 and \$130,278 for the years ended December 31, 2008 and 2007, respectively, related to this arrangement. The Institute has amounts due to MESA of \$10,985 and \$5,262 at December 31, 2008 and 2007, respectively. The Institute has amounts due to American Municipal Power-Ohio, Inc., an affiliated organization, of \$13,782 and \$1,102 at December 31, 2008 and 2007, respectively.