



**REGULAR MEETING of the Audit and Finance Committee
of the Peninsula Clean Energy Authority (PCEA)
Monday, June 11, 2018
MINUTES**

2075 Woodside Road, Redwood City, CA
10:00 a.m.

CALL TO ORDER

Meeting was called to order at 10:13 a.m.

ROLL CALL

Present: Donna Colson, City of Burlingame, *Chair*
Carlos Romero, City of East Palo Alto
Laurence May, Town of Hillsborough

Absent: Carole Groom, County of San Mateo
Jeff Aalfs, Town of Portola Valley

Staff: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
Jay Modi, Director of Finance and Administration, Peninsula Clean Energy
Tina Caratan, Interim CFO
Anne Bartoletti, Board Clerk, Peninsula Clean Energy

A quorum was established.

PUBLIC COMMENT

No public comment.

Donna Colson—Chair—announced that agenda item 2 was being moved up for discussion.

SPECIAL MEETING AGENDA

- 2) RECOMMEND APPROVAL OF FINAL DRAFT FISCAL YEAR 2018-2019 BUDGET AND 5-YEAR PROJECTIONS**

Jay Modi—Director of Finance and Administration—handed out a final draft of the fiscal year 2018-2019 budget with 5-year projections. He reported that this budget model load forecast is based on PCE’s actual January 2017 to January 2018 data, so it should provide a more accurate prediction of load for the next fiscal year. The Committee discussed projected revenues, credit ratings, and the impact of different rate scenarios and industry stressors.

Motion Made / Seconded: May / Romero

Motion passed unanimously 3-0 (Absent: Carole Groom, Jeff Aalfs)

1) REVIEW DRAFT FINANCIAL RESERVES POLICY

Jan Pepper reported that the Financial Reserves Policy is being proposed based upon the evaluation criteria outlined by Moody’s in order for PCE to position itself to receive an investment grade credit rating. The Committee discussed financial benchmarks, rate stabilization, operating reserves, and operating expenses.

3) APPROVAL OF THE MINUTES FOR THE MAY 8, 2018 MEETING

Motion Made / Seconded: May / Romero

Motion passed unanimously 3-0 (Absent: Carole Groom, Jeff Aalfs)

ADJOURNMENT

Meeting was adjourned at 11:26 a.m.