



## ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Peninsula Clean Energy Authority

Management is responsible for the accompanying financial statements of Peninsula Clean Energy Authority (a California Joint Powers Authority) which comprise the statement of net position as of December 31, 2016, and the related statement of revenues, expenses, and changes in net position, and the statement 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 disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, the 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  
January 23, 2017



# PENINSULA CLEAN ENERGY AUTHORITY

## STATEMENT OF NET POSITION

As of December 31, 2016

### ASSETS

Current assets	
Cash and cash equivalents	\$ 9,195,582
Accounts receivable, net of allowance	6,255,646
Miscellaneous receivable	53,146
Accrued revenue	4,226,772
Prepaid expenses	193,200
Total current assets	<u>19,924,346</u>
Noncurrent assets	
Capital assets, net of depreciation	7,751
Deposits	100,000
Total noncurrent assets	<u>107,751</u>
Total assets	<u>20,032,097</u>

### LIABILITIES

Current liabilities	
Accounts payable	128,069
Accrued cost of electricity	10,142,266
Accrued interest payable	14,269
Accrued payroll and compensated absences	29,967
Other accrued liabilities	281,829
User taxes and energy surcharges due to other governments	210,319
Total current liabilities	<u>10,806,719</u>
Noncurrent liabilities	
Loan payable to bank	3,000,000
Loans payable to County of San Mateo	4,480,800
Total noncurrent liabilities	<u>7,480,800</u>
Total liabilities	<u>18,287,519</u>

### NET POSITION

Net investment in capital assets	7,751
Unrestricted	1,736,827
Total net position	<u>\$ 1,744,578</u>

**PENINSULA CLEAN ENERGY AUTHORITY**

**STATEMENT OF REVENUES, EXPENSES**

**AND CHANGES IN NET POSITION**

**July 1, 2016 through December 31, 2016**

**OPERATING REVENUES**

Electricity sales, net	\$ 16,960,535
Green electricity premium	20,757
Total operating revenues	<u>16,981,292</u>

**OPERATING EXPENSES**

Cost of electricity	12,536,760
Staff compensation and benefits	336,177
Data manager	271,370
Service fees - PG&E	69,243
Consultants and other professional fees	139,754
Legal	158,076
Communications and noticing	520,273
General and administration	52,934
Depreciation	554
Total operating expenses	<u>14,085,141</u>
Operating income (loss)	<u>2,896,151</u>

**NONOPERATING REVENUES (EXPENSES)**

Interest income	5,259
Interest and related expense	(70,031)
Financing costs	(44,477)
Total nonoperating revenues (expenses)	<u>(109,249)</u>

**CHANGE IN NET POSITION**

	2,786,902
Net position at beginning of period	<u>(1,042,324)</u>
Net position at end of period	<u>\$ 1,744,578</u>

**PENINSULA CLEAN ENERGY AUTHORITY**

**STATEMENT OF CASH FLOWS**  
**July 1, 2016 through December 31, 2016**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from electricity sales	\$ 6,584,150
Tax and surcharge receipts from customers	129,347
Payments to purchase electricity	(2,587,694)
Payments for staff compensation and benefits	(374,727)
Payments for consultants and other professional fees	(299,331)
Payments for legal fees	(265,144)
Payments for communications and noticing	(483,711)
Payments for general and administration	(52,464)
Tax and surcharge payments to other governments	(4,303)
Net cash provided (used) by operating activities	<u>2,646,123</u>

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

Loan proceeds from bank notes and loans	1,421,333
Deposits and collateral paid	(100,000)
Interest and related expense payments	(57,119)
Finance costs	(44,477)
Net cash provided (used) by non-capital financing activities	<u>1,219,737</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Acquisition of capital assets	<u>(8,305)</u>
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest income received	<u>5,259</u>
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Net change in cash and cash equivalents	3,862,814
Cash and cash equivalents at beginning of year	5,332,768
Cash and cash equivalents at end of period	<u><u>\$ 9,195,582</u></u>

**PENINSULA CLEAN ENERGY AUTHORITY**

**STATEMENT OF CASH FLOWS (continued)**

**July 1, 2016 through December 31, 2016**

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

Operating income (loss)	\$	2,896,151
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense		554
(Increase) decrease in net accounts receivable		(6,255,646)
(Increase) decrease in other receivables		(53,146)
(Increase) decrease in accrued revenue		(4,226,772)
(Increase) decrease in prepaid expenses		(193,200)
Increase (decrease) in accounts payable		128,069
Increase (decrease) in accrued payroll and related		4,321
Increase (decrease) in accrued cost of electricity		10,142,266
Increase (decrease) in accrued liabilities		(6,793)
Increase (decrease) in user taxes and energy surcharges due to other governments		210,319
Net cash provided (used) by operating activities	\$	<u>2,646,123</u>