



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Peninsula Clean Energy Authority

Management is responsible for the accompanying financial statements of Peninsula Clean Energy Authority (PCE), a California Joint Powers Authority, which comprise the statement of net position as of December 31, 2019, and the 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. PCE'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 PCE because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
January 23, 2020

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of December 31, 2019

ASSETS

Cash and cash equivalents	\$ 133,429,885
Accounts receivable, net of allowance	20,318,224
Investments	28,958,533
Other receivables	622,996
Accrued revenue	14,062,468
Prepaid expenses	2,108,807
Restricted cash	13,038,299
Total current assets	<u>212,539,212</u>
Noncurrent assets	
Capital assets, net of depreciation	327,077
Deposits	134,840
Total noncurrent assets	<u>461,917</u>
Total assets	<u>213,001,129</u>

LIABILITIES

Current liabilities	
Accounts payable	869,508
Accrued cost of electricity	19,459,032
Accrued payroll	261,672
Other accrued liabilities	80,637
Supplier deposits - energy suppliers	3,040,047
User taxes and energy surcharges due to other governments	886,295
Total current liabilities	<u>24,597,191</u>
Noncurrent liabilities	
Supplier deposits - energy suppliers	<u>1,632,050</u>
Total liabilities	<u>26,229,241</u>

NET POSITION

Investment in capital assets	327,077
Restricted for security collateral	13,038,299
Unrestricted	173,406,512
Total net position	<u>\$ 186,771,888</u>

PENINSULA CLEAN ENERGY AUTHORITY

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

July 1, 2019 through December 31, 2019

OPERATING REVENUES

Electricity sales, net	\$	154,389,183
Green electricity premium		1,318,215
Total operating revenues		<u>155,707,398</u>

OPERATING EXPENSES

Cost of electricity		103,095,122
Contract services		4,345,884
Staff compensation and benefits		1,910,666
General and administration		900,971
Depreciation		45,121
Total operating expenses		<u>110,297,764</u>
Operating income (loss)		<u>45,409,634</u>

NONOPERATING REVENUES (EXPENSES)

Miscellaneous income		2,142
Interest and investment income		1,266,984
Finance costs		(46,000)
Total nonoperating revenues (expenses)		<u>1,223,126</u>

CHANGE IN NET POSITION

Net position at beginning of period		<u>140,139,128</u>
Net position at end of period	\$	<u>186,771,888</u>

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS

July 1, 2019 through December 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 164,086,172
Receipts from supplier security deposits	75,583
Payments to suppliers for electricity	(107,391,903)
Payments to suppliers for other goods and services	(5,485,948)
Payments for staff compensation and benefits	(1,864,758)
Payments of taxes and surcharges to other governments	(2,509,607)
Net cash provided (used) by operating activities	<u>46,909,539</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Deposits and collateral received	276,085
Finance costs payments	(46,000)
Net cash provided (used) by non-capital financing activities	<u>230,085</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(77,779)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from investment sales	135,555,908
Investment income received	1,387,299
Purchase of investments	(99,576,311)
Net cash provided (used) by investing activities	<u>37,366,896</u>

Net change in cash and cash equivalents	84,428,741
Cash and cash equivalents at beginning of period	62,039,443
Cash and cash equivalents at end of period	<u>\$ 146,468,184</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 133,429,885
Restricted cash	13,038,299
Cash and cash equivalents	<u>\$ 146,468,184</u>

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (continued)

July 1, 2019 through December 31, 2019

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

Operating income (loss)	\$	45,409,634
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense		45,121
Revenue adjusted for uncollectible accounts		421,548
Nonoperating miscellaneous income		2,142
(Increase) decrease in:		
Accounts receivable		3,322,101
Other receivables		(255,581)
Accrued revenue		2,098,953
Prepaid expenses		2,200,811
Increase (decrease) in:		
Accounts payable		(137,877)
Accrued payroll and related		43,246
Accrued cost of electricity		(4,969,922)
Accrued liabilities		(89,701)
User taxes and energy surcharges due to other governments		24,422
Increase (decrease) in supplier security deposits		(1,205,358)
Net cash provided (used) by operating activities	\$	<u>46,909,539</u>