



**SPECIAL MEETING of the Audit and Finance Committee of the
Peninsula Clean Energy Authority (PCEA)
Monday, February 10, 2020
10:00 a.m.**

Peninsula Clean Energy, 2075 Woodside Road,
Redwood City, CA 94061

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Anne Bartoletti, Board Clerk, at least 2 working days before the meeting at (650) 260-0111 and/or abartoletti@peninsulacleanenergy.com. Notification in advance of the meeting will enable the PCEA to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. Attendees to this meeting are reminded that other attendees may be sensitive to various chemical based products.

If you wish to speak to the Committee, please fill out a speaker's slip located on the tables as you enter the meeting room. If you have anything that you wish to be distributed to the Committee and included in the official record, please hand it to a member of PCEA staff who will distribute the information to the Committee members and other staff.

CALL TO ORDER / ROLL CALL

PUBLIC COMMENT

This item is reserved for persons wishing to address the Committee on any PCEA-related matters that are as follows: 1) Not otherwise on this meeting agenda; 2) Listed on the Consent Agenda; 3) Chief Executive Officer's or Staff Report on the Regular Agenda; or 4) Committee Members' Reports on the Regular Agenda. Public comments on matters not listed above shall be heard at the time the matter is called.

As with all public comment, members of the public who wish to address the Committee are requested to complete a speaker's slip and provide it to PCEA staff. Speakers are customarily limited to two minutes, but an extension can be provided to you at the discretion of the Committee Chair.

ACTION TO SET AGENDA AND TO APPROVE CONSENT AGENDA ITEMS

This item is to set the final consent and regular agenda, and for approval of the items listed on the consent agenda. All items on the consent agenda are approved by one action.

SPECIAL MEETING AGENDA

1. Chair Report (Discussion)
2. Staff Report (Discussion)
3. Interview of Investment Manager Candidate(s) (Discussion)
4. Recommendation to Board regarding selection of second Investment Manager (Action)
5. Committee Members' Reports (Discussion)

CONSENT AGENDA

6. Approval of the Minutes for the February 10, 2020 Meeting (Action)

Public records that relate to any item on the open session agenda for a board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. The Board has designated Peninsula Clean Energy's office, located at 2075 Woodside Road, Redwood City, CA 94061, for the purpose of making those public records available for inspection. The documents are also available on the PCEA's Internet Web site. The website is located at: <http://www.peninsulacleanenergy.com>.



**REGULAR MEETING of the Audit and Finance Committee
of the Peninsula Clean Energy Authority (PCEA)
Monday, February 10, 2020
MINUTES**

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

CALL TO ORDER

Meeting was called to order at 10:03 a.m.

ROLL CALL

Present: Donna Colson, City of Burlingame, *Chair*
Carlos Romero, City of East Palo Alto
Laurence May, Town of Hillsborough
Jeff Aalfs, Town of Portola Valley
John Keener, Director Emeritus

Absent: Carole Groom, County of San Mateo

Staff: Jan Pepper, Chief Executive Officer
Andy Stern, Chief Financial Officer
Ilana Parmer Mandelbaum, Deputy County Counsel
Hailey Wu, Senior Financial Analyst
Anne Bartoletti, Board Clerk

A quorum was established.

PUBLIC COMMENT

No public comment.

ACTION TO SET THE AGENDA AND APPROVE CONSENT AGENDA ITEMS

Motion Made / Seconded: Aalfs / May

Motion passed unanimously 4-0 (Absent: Groom)

REGULAR AGENDA

1. CHAIR REPORT

No report.

2. STAFF REPORT

Chief Financial Officer Andy Stern reported on Restricted Cash as of December 31, 2019, and as of today, February 10, 2020. He also reported that six firms submitted proposals in response to the Investment Manager RFP (Request for Proposal).

3. REVIEW FISCAL YEAR 2020-2021 BUDGET SCHEDULE

Andy Stern reviewed the Fiscal Year 2020-2021 Budget Schedule, which included a draft review by the Audit and Finance Committee on May 11, 2020, and Final Budget Approval at the June 25, 2020 Board meeting.

4. REVIEW FISCAL YEAR 2019-2020 SECOND QUARTER FINANCIALS

Andy Stern reviewed Revenue by Quarter in terms of quarterly trends and monthly trends, and reviewed the Cost of Energy quarterly trends and monthly trends. He reported changes in Net Position as of December 2019, compared a Summary Financial Statement versus the Budget, and provided a Cash and Investment Summary with quarterly trends.

5. REVIEW RESERVE POLICY OPTIONS

Andy Stern reviewed the current Reserve Policy, Policy Number 18, as well as issues with the current policy that the Committee had previously discussed. Andy outlined research that he has done and outlined his conclusions. The Committee discussed increasing the Operating / Working Capital Reserve to 180 days, and possibly increasing it in coming years up to 210 days.

6. COMMITTEE MEMBERS' REPORTS

None.

ADJOURNMENT

Meeting was adjourned at 11:39 a.m.