



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 September 30, 2020, 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 will 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
October 19, 2020

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of September 30, 2020

ASSETS

Current assets

Cash and cash equivalents	\$ 8,180,038
Accounts receivable, net of allowance	26,398,200
Investments	35,010,004
Other receivables	1,023,775
Accrued revenue	14,944,492
Prepaid expenses	927,191
Deposits	1,130,000
Restricted cash	32,386,560
Total current assets	<u>120,000,260</u>

Noncurrent assets

Capital assets, net of depreciation	407,507
Investments	143,793,478
Deposits	134,840
Total noncurrent assets	<u>144,335,825</u>
Total assets	<u>264,336,085</u>

LIABILITIES

Current liabilities

Accounts payable	798,852
Accrued cost of electricity	38,307,932
Accrued payroll	406,429
Deferred revenue and other liabilities	185,137
Supplier deposits - energy suppliers	29,061,513
User taxes and energy surcharges due to other governments	966,862
Total current liabilities	<u>69,726,725</u>

Noncurrent liabilities

Supplier deposits - energy suppliers	<u>1,593,433</u>
Total liabilities	<u>71,320,158</u>

NET POSITION

Investment in capital assets	407,507
Restricted for security collateral	5,618,194
Unrestricted	<u>186,990,226</u>
Total net position	<u>\$ 193,015,927</u>

PENINSULA CLEAN ENERGY AUTHORITY

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

July 1, 2020 through September 30, 2020

OPERATING REVENUES

Electricity sales, net	\$	74,403,172
Green electricity premium		680,689
Total operating revenues		<u>75,083,861</u>

OPERATING EXPENSES

Cost of electricity		66,741,390
Contract services		2,304,334
Staff compensation and benefits		1,355,974
General and administration		937,166
Depreciation		24,327
Total operating expenses		<u>71,363,191</u>
Operating income (loss)		<u>3,720,670</u>

NONOPERATING REVENUES (EXPENSES)

Interest and investment income		296,525
Charitable contributions		(50,000)
Finance costs		(23,000)
Nonoperating revenues (expenses), net		<u>223,525</u>

CHANGE IN NET POSITION

Net position at beginning of period		<u>189,071,732</u>
Net position at end of period	\$	<u>193,015,927</u>

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
July 1, 2020 through September 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 71,587,159
Receipts from supplier security deposits	40,000
Payments to suppliers for electricity	(55,765,081)
Payments to suppliers for other goods and services	(3,302,495)
Payments for staff compensation and benefits	(1,307,759)
Payments of taxes and surcharges to other governments	(1,086,200)
Payments of charitable contributions	(50,000)
Net cash provided (used) by operating activities	<u>10,115,624</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Finance costs payments	(23,000)
Deposits and collateral paid	(1,130,000)
Net cash provided (used) by non-capital financing activities	<u>(1,153,000)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(19,319)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from investment sales	31,495,293
Investment income received	551,768
Purchase of investments	(48,861,444)
Net cash provided (used) by investing activities	<u>(16,814,383)</u>

Net change in cash and cash equivalents	(7,871,078)
Cash and cash equivalents at beginning of period	48,437,676
Cash and cash equivalents at end of period	<u>\$ 40,566,598</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 8,180,038
Restricted cash	32,386,560
Cash and cash equivalents	<u>\$ 40,566,598</u>

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (continued)

July 1, 2020 through September 30, 2020

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

Operating income (loss)	\$	3,720,670
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense		24,327
Revenue adjusted for uncollectible accounts		241,040
Charitable contributions considered an operating activity for cash flow purposes only		(50,000)
(Increase) decrease in:		
Accounts receivable		(3,730,648)
Other receivables		597,491
Accrued revenue		(1,202,767)
Prepaid expenses		2,762,167
Increase (decrease) in:		
Accounts payable		(395,742)
Accrued payroll and related		48,215
Accrued cost of electricity		9,472,398
Deferred revenue and other accrued liabilities		(1,521,000)
User taxes and energy surcharges due to other governments		109,473
Supplier security deposits		40,000
Net cash provided (used) by operating activities	\$	<u>10,115,624</u>