



**REGULAR MEETING of the Audit and Finance Committee of the
Peninsula Clean Energy Authority (PCEA)
Monday, June 14, 2021
8:30 a.m.**

PLEASE NOTE: for Video conference: <https://meetings.ringcentral.com/j/1460708679>

for Audio conference: dial +1(623) 404-9000,

then enter the Meeting ID: 146 070 8679 followed by #

You will be instructed to enter your participant ID followed by #.

NOTE: Please see attached document for additional detailed teleconference instructions.

PCEA shall make every effort to ensure that its video conferenced meetings are accessible to people with disabilities as required by Governor Newsom's March 17, 2020 Executive Order N-29-20. 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 Shayna Barnes, Operations Specialist, at least 2 working days before the meeting at sbarnes@peninsulacleanenergy.com. Notification in advance of the meeting will enable PCEA to make best efforts to reasonably accommodate accessibility to this meeting and the materials related to it.

If you wish to speak to the Audit and Finance Committee, please use the "Raise Your Hand" function on the Ring Central platform. If you have anything that you wish to be distributed to the Audit and Finance Committee and included in the official record, please send to sbarnes@peninsulacleanenergy.com.

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 shall be given an opportunity to do so by the Committee Chair during the videoconference meeting. 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.

REGULAR AGENDA

1. Chair Report (Discussion)
2. Staff Report (Discussion)
3. Recommend approval of Fiscal Year 20221-2022 Budget (Action)
4. Committee Members' Reports (Discussion)

CONSENT AGENDA

5. Approval of the Minutes for the May 10, 2021 Meeting (Action)

Public records that relate to any item on the open session agenda for a regular 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 the Peninsula Clean Energy 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>.

Instructions for Joining a RingCentral Meeting via Computer or Phone

Best Practices:

- Please mute your microphone when you are not speaking to minimize audio feedback
- If possible, utilize headphones or ear buds to minimize audio feedback
- If participating via videoconference, audio quality is often better if you use the dial-in option (Option 1 below) rather than your computer audio

Options for Joining

- A. Videoconference with Phone Call Audio (*Recommended*) – see Option 1 below
- B. Videoconference with Computer Audio – see Option 2 below
- C. Calling in from iPhone using one-tap – see Option 3 below
- D. Calling in via Telephone/Landline – see Option 4 below

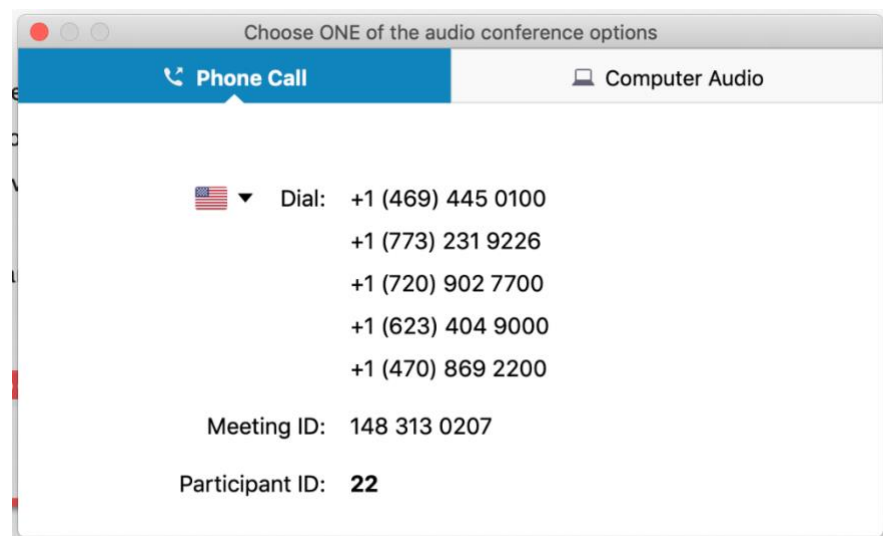
Videoconference Options:

Prior to the meeting, we recommend that you install the RingCentral Meetings application on your computer by clicking here: <https://www.ringcentral.com/apps/rc-meetings>

If you want full capabilities for videoconferencing (audio, video, screensharing) you must download the RingCentral application.

Option 1 Videoconference with Phone Call Audio (Recommended):

1. From your computer, click on the following link:
<https://meetings.ringcentral.com/j/1460708679>
2. The RingCentral Application will open on its own or you will be instructed to Open RingCentral Meetings.
3. After the application opens, the pop-up screen below will appear asking you to choose ONE of the audio conference options. Click on the Phone Call option at the top of the pop-up screen.

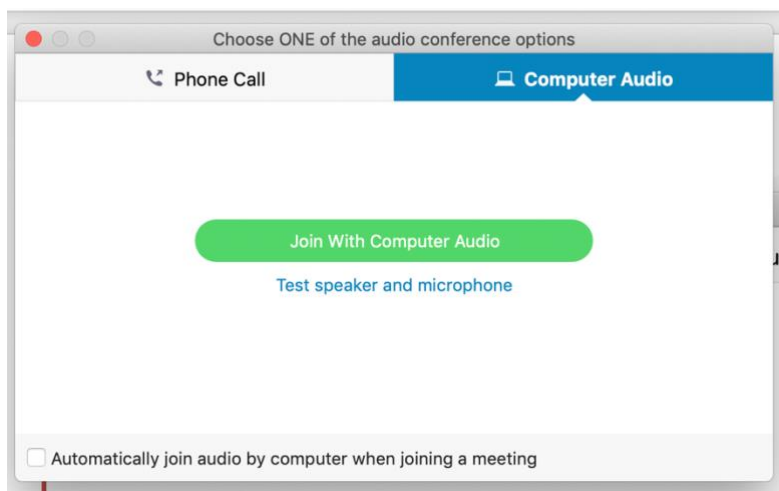


IMPORTANT: Please do not use the Participant ID that is in the picture to the left. Enter the Participant ID that appears on your own personal pop-up.

4. Please dial one of the phone numbers for the meeting (it does not matter which one):
 - +1 (623) 404 9000
 - +1 (469) 445 0100
 - +1 (773) 231 9226
 - +1 (720) 902 7700
 - +1 (470) 869 2200
5. You will be instructed to enter the meeting ID: **146 070 8679 followed by #**
6. You will be instructed to enter in your **Participant ID followed by #**. Your Participant ID is unique to you and is what connects your phone number to your RingCentral account.
7. After a few seconds, your phone audio should be connected to the RingCentral application on your computer.
8. In order to enable video, click on “Start Video” in the bottom left hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

Option 2 Videoconference with Computer Audio:

1. From your computer, click on the following link:
<https://meetings.ringcentral.com/j/1460708679>
2. The RingCentral Application will open on its own or you will be instructed to Open RingCentral Meetings.
3. After the application opens, the pop-up screen below will appear asking you to choose ONE of the audio conference options. Click on the Computer Audio option at the top of the pop-up screen.



4. Click the green **Join With Computer Audio** button
5. In order to enable video, click on “Start Video” in the bottom left hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

Audio Only Options:

Please note that if you call in/use the audio only option, you will not be able to see the speakers or any presentation materials in real time.

Option 3: Calling in from iPhone using one-tap

Click on one of the following “one-tap” numbers from your iPhone. Any number will work, but dial by your location for better audio quality:

+1(623)4049000,,1460708679# (US West)

+1(720)9027700,,1460708679# (US Central)

+1(773)2319226,,1460708679# (US North)

+1(469)4450100,,1460708679# (US South)

+1(470)8692200,,1460708679# (US East)

This is the call-in number followed by the meeting ID. Your iPhone will dial both numbers for you.

You will be instructed to **enter your participant ID followed by #**

If you do not have a participant ID or do not know it, you can stay on the line and you will automatically join the meeting

Option 4: Calling in via Telephone/Landline:

Dial a following number based off of your location:

+1(623)4049000 (US West)

+1(720)9027700 (US Central)

+1(773)2319226 (US North)

+1(469)4450100 (US South)

+1(470)8692200 (US East)

You will be instructed to enter the **meeting ID: 146 070 8679 followed by #**

You will be instructed to enter your **participant ID followed by #**.

If you do not have a participant ID or do not know it, you can stay on the line and you will automatically join the meeting.



**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: June 8, 2021
COMMITTEE MEETING DATE: June 14, 2021
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Audit and Finance Committee

FROM: Andy Stern, Chief Financial Officer

SUBJECT: Proposed Fiscal Year 2021-2022 Budget and 5-year Projections

RECOMMENDATION:

Recommend Approval of the Proposed Fiscal Year 2021-2022 Budget and 5-year Projections.

BACKGROUND:

On May 10, 2021, Staff presented a draft Fiscal Year 2021-2022 budget to the Audit & Finance Committee and to the Executive Committee in order to solicit comments and input. Staff presented the same draft budget to the full Board of Directors on May 27, 2021.

DISCUSSION:

Fiscal Year 2021-2022 (July 1, 2021 through June 30, 2022) budget presentation and details will be provided for review. The bottom-up approach included discussions with the department heads to develop their portions of the budget. The final budget has been updated to reflect additional refinement of select revenue and expense categories.

The resolution for Board approval reflects a Not-to-Exceed level of Total Operating Expenses allowing for various categories to be above or below the planned level as long as the Total Operating Expenses do not exceed the requested level of \$241,811,165 for the full Fiscal Year 2020-2021.

RECOMMENDATION:

Recommend approval by the full Board of Directors of the Fiscal Year 2021-2022 (July 1, 2021 through June 30, 2022) budget at its meeting on June 24, 2021 with an amount of \$241,811,865 as a not-to-exceed amount of Total Operating Expenses.

ATTACHMENTS:

The final version of the proposed Fiscal Year 2021-2022 Budget and 5-year Projections will be distributed during the meeting.

**PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO, STATE OF
CALIFORNIA**

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**RESOLUTION RECOMMENDING THAT THE BOARD OF DIRECTORS APPROVE
THE FISCAL YEAR 2021-2022 BUDGET WITH TOTAL OPERATING EXPENSES
NOT TO EXCEED \$241,811,865**

RESOLVED, by the Audit and Finance Committee of Peninsula Clean Energy Authority (PCEA) of the County of San Mateo, State of California, that

WHEREAS, the Audit and Finance Committee of the Peninsula Clean Energy Authority reviewed a draft budget for Fiscal Year 2021-2022 and the underlying assumptions at its meeting on May 10, 2021 to solicit input and recommended changes, and

WHEREAS, PCEA Staff reviewed a draft budget for Fiscal Year 2021-2022 and the underlying assumptions with the Executive Committee at its meeting on May 10, 2021 to solicit input and recommended changes, and

WHEREAS, PCEA Staff presented a draft budget for Fiscal Year 2021-2022 to the Board of Directors at its meeting on May 27, 2021 to solicit input and recommended changes, and

WHEREAS, PCEA Staff has updated the assumptions in the draft budget for the Fiscal Year 2021-2022 with the most updated and current information available to formulate a final version of the budget for Fiscal Year 2020-2021, and

WHEREAS, the Audit and Finance Committee of the Peninsula Clean Energy Authority reviewed a final version of the budget for Fiscal Year 2021-2022 and the underlying assumptions at its meeting on June 14, 2021

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Audit and Finance Committee recommends that the PCEA Board of Directors approve the Fiscal Year 2021-2022 budget at its meeting on June 24, 2021 with Total Operating Expenses not to exceed \$241,811,865.

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**REGULAR MEETING of the Audit and Finance Committee
of the Peninsula Clean Energy Authority (PCEA)
Monday, May 10, 2021
MINUTES**

2075 Woodside Road, Redwood City, CA
08:30 a.m.

CALL TO ORDER

Meeting was called to order at 8:37 a.m.

ROLL CALL

Present: Laurence May, Town of Hillsborough, *Chair*
Donna Colson, City of Burlingame
Carole Groom, County of San Mateo
Carlos Romero, City of East Palo Alto
Jeff Aalfs, Town of Portola Valley
John Keener, Director Emeritus
Pradeep Gupta, Director Emeritus

Staff: Jan Pepper, Chief Executive Officer
Andy Stern, Chief Financial Officer
Hailey Wu, Senior Financial Analyst
Shayna Barnes, Operations Specialist
Rafael Reyes, Director of Energy Programs
Marc Hershman, Director of Government Affairs

A quorum was established.

PUBLIC COMMENT

No public comment.

ACTION TO SET THE AGENDA AND APPROVE CONSENT AGENDA ITEMS

Motion Made / Seconded: Aalfs / Groom

Motion passed 4-0 (Absent: Romero)

REGULAR AGENDA

1. CHAIR REPORT

No report.

2. STAFF REPORT

No report.

3. RECOMMENDATION NOT TO RENEW THE TERM LOAN AGREEMENT WITH BARCLAYS BANK FOR \$12 MILLION CREDIT LINE

Andy Stern, *CFO*, described the credit line Peninsula Clean Energy has with Barclays Bank, including primary terms and conditions, drawdowns, permitted uses, and options for renewal. The credit line is slated to end on June 24, 2021. Staff recommended that the Audit and Finance Committee approve a resolution recommending that the Board of Directors approve non-renewal of the term loan agreement with Barclays Bank for \$12 million credit line.

Motion Made/Seconded: Colson/Aalfs

Motion passed 5-0

4. REVIEW FINANCIAL REPORTS AND INVESTMENT SUMMARY FOR THIRD QUARTER FY 2020-2021

Andy Stern, *CFO*, reviewed Fiscal Year 2020-2021 third quarter financial statements. Andy compared the quarter ending March 2021 and year-to-date actual financial statements to the budgeted amounts. Andy reviewed revenue trends on a quarterly and monthly basis, energy usage actuals compared to the budgeted case, trends in the cost of energy, change in net position, and provided a cash and investment summary.

5. REVIEW FISCAL YEAR 2021-2022 DRAFT BUDGET

Andy Stern reviewed the draft budget for fiscal year 2021-2022 including the schedule for review and approval, key assumptions, and details of key areas, including revenues, cost of energy, staff compensation, data manager/service fees, professional services, legal, marketing and noticing, general and administration, and community energy programs. Andy provided a review of the draft budget for fiscal years 2021-2026.

Peninsula Clean Energy staff answered questions from committee members regarding budget categories, projections, and five-year plan.

6. COMMITTEE MEMBERS' REPORTS

No reports.

ADJOURNMENT

Meeting was adjourned at 9:33 a.m.