



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, 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
January 26, 2021

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of December 31, 2020

ASSETS

Current assets

Cash and cash equivalents	\$ 21,060,571
Accounts receivable, net of allowance	21,750,123
Accrued revenue	12,761,888
Investments	25,892,905
Other receivables	986,011
Prepaid expenses	1,974,609
Deposits	2,106,250
Restricted cash	31,717,560
Total current assets	<u>118,249,917</u>

Noncurrent assets

Capital assets, net of depreciation	386,179
Investments	143,614,133
Deposits	281,840
Total noncurrent assets	<u>144,282,152</u>
Total assets	<u>262,532,069</u>

LIABILITIES

Current liabilities

Accrued cost of electricity	28,027,172
Accounts payable	680,081
Accrued payroll	470,725
Other accrued liabilities	332,637
Supplier deposits - energy suppliers	30,373,713
User taxes and energy surcharges due to other governments	867,103
Total current liabilities	<u>60,751,431</u>

Noncurrent liabilities

Supplier deposits - energy suppliers	<u>1,593,433</u>
Total liabilities	<u>62,344,864</u>

NET POSITION

Investment in capital assets	386,179
Restricted for security collateral	4,949,194
Unrestricted	<u>194,851,832</u>
Total net position	<u>\$ 200,187,205</u>

PENINSULA CLEAN ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2020 through December 31, 2020

OPERATING REVENUES

Electricity sales, net	\$ 136,568,161
Green electricity premium	1,365,820
Total operating revenues	<u>137,933,981</u>

OPERATING EXPENSES

Cost of electricity	117,938,747
Contract services	5,116,002
Staff compensation and benefits	2,717,349
General and administration	1,470,988
Depreciation	47,724
Total operating expenses	<u>127,290,810</u>
Operating income (loss)	<u>10,643,171</u>

NONOPERATING REVENUES (EXPENSES)

Interest and investment income (loss)	568,302
Charitable contributions	(50,000)
Finance costs	(46,000)
Nonoperating revenues (expenses), net	<u>472,302</u>

CHANGE IN NET POSITION

	11,115,473
Net position at beginning of period	<u>189,071,732</u>
Net position at end of period	<u>\$ 200,187,205</u>

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS

July 1, 2020 through December 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 142,353,478
Receipts from supplier security deposits	2,096,200
Payments to suppliers for electricity	(118,884,231)
Payments to suppliers for other goods and services	(6,564,083)
Payments for staff compensation and benefits	(2,656,034)
Payments of taxes and surcharges to other governments	(2,271,477)
Payments of charitable contributions	(50,000)
Net cash provided (used) by operating activities	<u>14,023,853</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Finance costs paid	(46,000)
Deposits and collateral paid	<u>(2,253,250)</u>
Net cash provided (used) by non-capital financing activities	<u>(2,299,250)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(21,385)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from investment sales	93,558,686
Investment income received	639,912
Purchase of investments	<u>(101,561,361)</u>
Net cash provided (used) by investing activities	<u>(7,362,763)</u>

Net change in cash and cash equivalents	4,340,455
Cash and cash equivalents at beginning of period	48,437,676
Cash and cash equivalents at end of period	<u>\$ 52,778,131</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 21,060,571
Restricted cash	<u>31,717,560</u>
Cash and cash equivalents	<u>\$ 52,778,131</u>

PENINSULA CLEAN ENERGY AUTHORITY

**STATEMENT OF CASH FLOWS (continued)
July 1, 2020 through December 31, 2020**

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

Operating income (loss)	\$	10,643,171
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense		47,724
Revenue adjusted for uncollectible accounts		442,806
Charitable contributions considered an operating activity for cash flow purposes only		(50,000)
(Increase) decrease in:		
Accounts receivable		715,663
Accrued revenue		979,837
Other receivables		751,856
Prepaid expenses		1,714,749
Increase (decrease) in:		
Accrued cost of electricity		(808,365)
Accounts payable		(514,513)
Accrued payroll and related		112,511
Other accrued liabilities		(1,373,500)
User taxes and energy surcharges due to other governments		9,714
Supplier security deposits		1,352,200
Net cash provided (used) by operating activities	\$	<u>14,023,853</u>