



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 March 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 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
April 24, 2020

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of March 31, 2020

ASSETS

Cash and cash equivalents	\$ 145,954,121
Accounts receivable, net of allowance	20,303,542
Investments	63,427,155
Other receivables	525,127
Accrued revenue	11,353,089
Prepaid expenses	1,651,866
Restricted cash	6,118,194
Total current assets	<u>249,333,094</u>
Noncurrent assets	
Capital assets, net of depreciation	398,647
Deposits	134,840
Total noncurrent assets	<u>533,487</u>
Total assets	<u>249,866,581</u>

LIABILITIES

Current liabilities	
Accounts payable	1,018,940
Accrued cost of electricity	28,891,050
Accrued payroll	322,738
Other accrued liabilities	81,637
Supplier deposits - energy suppliers	28,946,513
User taxes and energy surcharges due to other governments	868,467
Total current liabilities	<u>60,129,345</u>
Noncurrent liabilities	
Supplier deposits - energy suppliers	<u>1,668,433</u>
Total liabilities	<u>61,797,778</u>

NET POSITION

Investment in capital assets	398,647
Restricted for security collateral	6,118,194
Unrestricted	181,551,962
Total net position	<u>\$ 188,068,803</u>

PENINSULA CLEAN ENERGY AUTHORITY

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2019 through March 31, 2020**

OPERATING REVENUES

Electricity sales, net	\$	215,253,308
Green electricity premium		1,978,137
Total operating revenues		<u>217,231,445</u>

OPERATING EXPENSES

Cost of electricity		159,835,617
Contract services		6,471,439
Staff compensation and benefits		3,190,774
General and administration		1,464,746
Depreciation		69,232
Total operating expenses		<u>171,031,808</u>
Operating income (loss)		<u>46,199,637</u>

NONOPERATING REVENUES (EXPENSES)

Miscellaneous income		2,511
Interest and investment income		1,796,277
Finance costs		(68,750)
Total nonoperating revenues (expenses)		<u>1,730,038</u>

CHANGE IN NET POSITION

Net position at beginning of period		<u>140,139,128</u>
Net position at end of period	\$	<u>188,068,803</u>

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
July 1, 2019 through March 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 229,411,955
Receipts from supplier security deposits	26,880,331
Payments to suppliers for electricity	(155,022,512)
Payments to suppliers for other goods and services	(8,130,631)
Payments for staff compensation and benefits	(3,082,897)
Payments of taxes and surcharges to other governments	(3,605,111)
Net cash provided (used) by operating activities	<u>86,451,135</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Deposits and collateral received	276,085
Finance costs payments	(68,750)
Net cash provided (used) by non-capital financing activities	<u>207,335</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(125,316)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from investment sales	144,505,908
Investment income received	2,203,626
Purchase of investments	(143,209,816)
Net cash provided (used) by investing activities	<u>3,499,718</u>

Net change in cash and cash equivalents	90,032,872
Cash and cash equivalents at beginning of period	62,039,443
Cash and cash equivalents at end of period	<u>\$ 152,072,315</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 145,954,121
Restricted cash	6,118,194
Cash and cash equivalents	<u>\$ 152,072,315</u>

PENINSULA CLEAN ENERGY AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2019 through March 31, 2020

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

Operating income (loss)	\$ 46,199,637
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	69,232
Revenue adjusted for uncollectible accounts	588,113
Nonoperating miscellaneous income	2,511
(Increase) decrease in:	
Accounts receivable	3,170,218
Other receivables	(229,863)
Accrued revenue	4,808,332
Prepaid expenses	2,657,752
Increase (decrease) in:	
Accounts payable	(36,586)
Accrued payroll and related	104,312
Accrued cost of electricity	4,462,093
Accrued liabilities	(88,701)
User taxes and energy surcharges due to other governments	6,594
Supplier security deposits	24,737,491
Net cash provided (used) by operating activities	<u>\$ 86,451,135</u>