



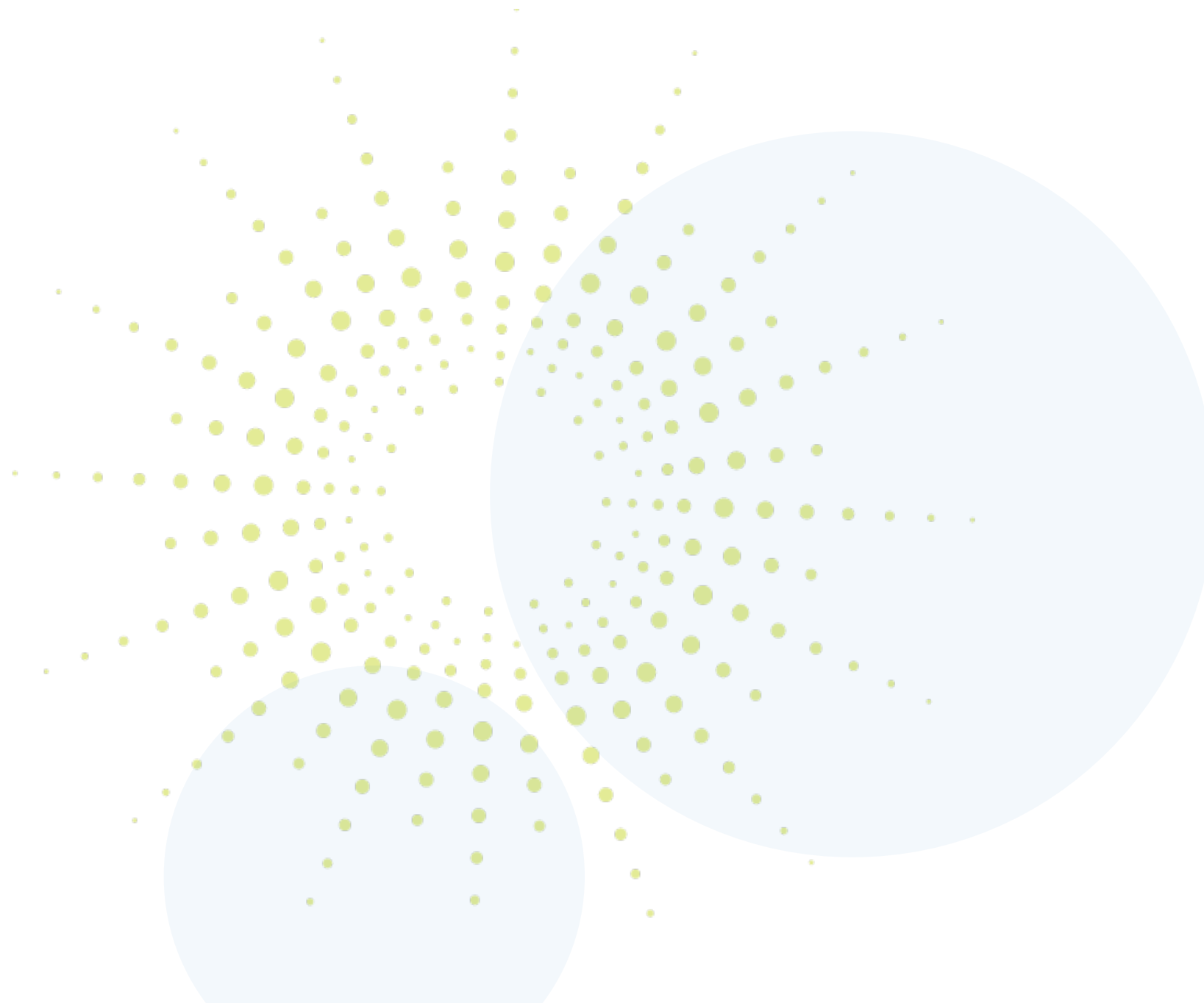
Audit & Finance Committee Meeting

October 12, 2022

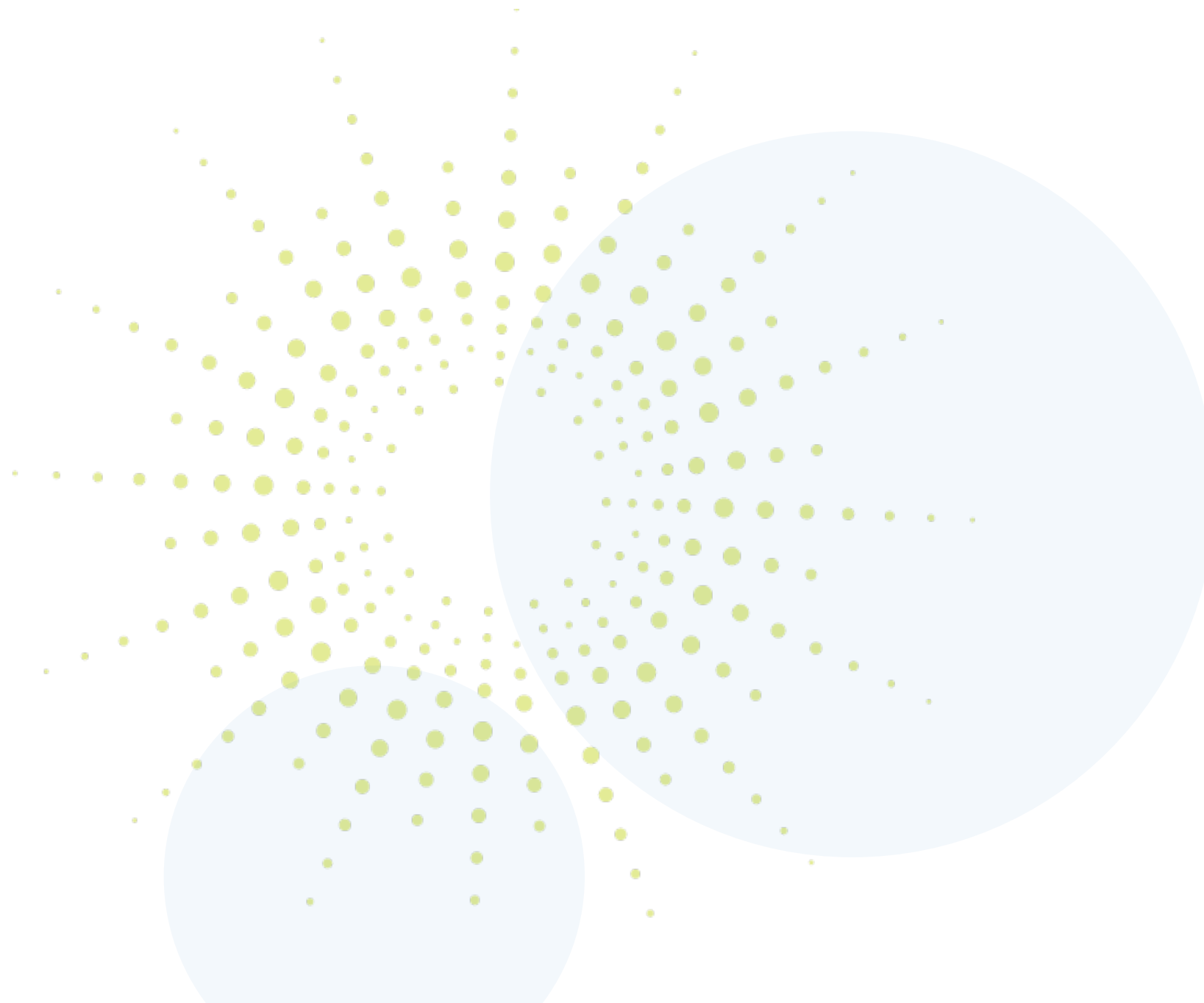
Agenda

- Call to Order / Roll Call
- Public Comment (for items not on the Agenda)
- Action to set the Agenda and Approve Consent Items
- Regular Agenda

Chair Report



Staff Report



Staff Report

- FY 2021-2022 Financial Statements Complete
 - Some changes from preliminary financials presented on August 15, 2022
 - -\$70,000 difference in expenses due to slight changes in depreciation and amortization
- Pimenti & Brinker LLP completing audit for FY 2021-2022
 - Audit firm, will present audit process and results
 - Audit process to include auditors meeting with A&F Committee members



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*Peninsula Clean Energy
Report to the Audit Committee
October 12, 2022*

Introduction

- Brett Bradford, CPA
 - Audit Partner
 - 19 years in public accounting and performing audits of government entities
 - Currently working with several CCA's throughout California
- Aliandra Schaffer
 - Senior Associate
 - 3 years in public accounting and performing audits of governments (CCA's)

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Results of current year audit:

- The audit is near completion. We expect to report the following:
 - Unmodified opinion – Based on our audit, the financial statements are materially accurate.
 - No significant deficiencies or material weakness in internal control noted.

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Audit of the year ended June 30, 2022

Financial Statements

Relative Roles & Responsibilities

- **Management** is responsible for preparing the Financial Statements and establishing a system of internal control.
- **Auditor** is responsible for auditing the Financial Statements
 - Considering risks of material misstatement in the Financial Statements
 - Considering internal controls relevant to the Financial Statements
 - Performing tests of year-end balances based on risk assessment
 - Evaluating adequacy of disclosures

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Risk Assessment for the year ended June 30, 2022

Significant areas of focus

- Revenue recognition
 - Accounts receivable and accrued revenue
 - Test a sample of customer billings
 - Relate total cash received during the year to revenue
 - Look at cash received subsequent to year-end and relate to A/R
 - Review revenue recognition through year-end and method for determining (accrued revenue)
- Cash
 - Confirmations sent to financial institutions

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Risk Assessment for the year ended June 30, 2022

Significant areas of focus

- Accrued Cost of Electricity
 - Review subsequent bills from electricity providers and cash payments
- Accrued REC expense
- Supplier Security Deposits
 - Reviewed contracts and determined completeness of amounts recorded
- Financial Statement Note Disclosures – Complete and without bias
- Single Audit

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Required Board Communications

- The significant accounting policies adopted by PCE throughout the periods audited appear appropriate and consistently applied.
- No alternative treatments of accounting principles for material items in the financial statements have been discussed with management.

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Required Board Communications (continued)

- We are not expecting to propose any adjustments to the financial statements.
- We have not identified any significant or unusual transactions or applications of accounting principles where a lack of authoritative guidance exists.

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Required Board Communications (continued)

- There have been no disagreements with management concerning the scope of our audit, the application of accounting principles, or the basis for management's judgments on any significant matters.
- We have not encountered any difficulties in dealing with management during the performance of our audit.

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Questions?

Brett Bradford: 707-577-1582

Aliandra Schaffer: 707-577-1535



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Committee Members' Reports