



2075 Woodside Road | Redwood City, CA 94061
(650) 260-0005 | peninsulacleanenergy.com

**Special Meeting of the Audit and Finance Committee of the
Peninsula Clean Energy Authority (PCEA)
AGENDA**

**Monday, December 11, 2023
8:30 am**

PLEASE NOTE: This meeting will be held in a hybrid format with both in-person and Zoom participation options for members of the public; Board members shall appear in person.

In-Person Meeting Location:
PCEA Lobby, **2075 Woodside Road, Redwood City, CA 94061**

Zoom, **Virtual Meeting Link:** <https://pencleanenergy.zoom.us/j/89514559357>
Meeting ID: 895-1455-9357 **Passcode:** 2075 **Phone:** +1 (669) 444-9171

This meeting of the Peninsula Clean Energy Audit and Finance Committee will be held at the Peninsula Clean Energy Lobby: 2075 Woodside Road, Redwood City, CA 94061 and by teleconference pursuant to California Assembly Bill 2449 and the Ralph M. Brown Act, CA Gov't Code. Section 54950, et seq. Members of the Committee are expected to attend the meeting in person and should reach out to Assistant General Counsel for Peninsula Clean Energy, Jennifer Stalzer, with questions or accommodation information (jstalzer@smcgov.org). For information regarding how to participate in the meeting remotely, please refer to the instructions at the end of the agenda. In addition, a video broadcast of the meeting can be viewed at [https://www.peninsulacleanenergy.com/Audit and Finance-committee](https://www.peninsulacleanenergy.com/Audit%20and%20Finance-committee) following the meeting.

Public Participation

The PCEA Audit and Finance Committee meeting may be accessed through Zoom online at <https://pencleanenergy.zoom.us/j/89514559357>. The meeting ID is: 895-1455-9357 and the passcode is: 2075. The meeting may also be accessed via telephone by dialing +1(669) 444-9171. Enter the webinar ID: 895-1455-9357, then press #. (Find your local number: <https://pencleanenergy.zoom.us/j/89514559357>). Peninsula Clean Energy uses best efforts to ensure audio and visual clarity and connectivity. However, it cannot guarantee the connection quality.

Members of the public can also attend this meeting physically at the **Peninsula Clean Energy Lobby** at 2075 Woodside Road, Redwood City, CA 94061.

Written public comments may be emailed to PCEA Board Clerk, Nelly Wogberg (nwogberg@peninsulacleanenergy.com) and such written comments should indicate the specific agenda item on which the member of the public is commenting.

Spoken public comments will be accepted during the meeting in the Board Room(s) or remotely through Zoom at the option of the speaker. Please use the "Raise Your Hand" function in the Zoom platform, or press *6 if you phoned into the meeting, to indicate that you would like to provide comment.

ADA Requests

Individuals who require special assistance or a disability related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting, should contact Nelly Wogberg, Board Clerk, by 10:00 a.m. on the day before the meeting at (nwogberg@peninsulacleanenergy.com). Notification in advance of the meeting will enable PCEA to make reasonable arrangements to ensure accessibility to this meeting, the materials related to it, and your ability to comment.

Closed Captioning is available for all PCEA Board meetings. While watching the video broadcast in Zoom, please enable captioning.

CALL TO ORDER / ROLL CALL / APPROVE TELECONFERENCE PARTICIPATION UNDER AB 2449

This item is reserved to approve teleconference participation request for this meeting by Director pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described.

PUBLIC COMMENT

This item is reserved for persons wishing to address the Committee on any PCEA-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. Members of the public who wish to address the Committee are customarily limited to two minutes per speaker. The Committee Chair may increase or decrease the time allotted to each speaker.

ACTION TO SET AGENDA AND TO APPROVE CONSENT AGENDA ITEMS

1. [Approval of the 2024 Audit and Finance Committee Schedule of Meetings](#)

SPECIAL AGENDA

2. [Quarter 1 - Fiscal Year 2024 Financial Report \(Quarter ending September 30,2023\)](#)

ADJOURNMENT

Public records that relate to any item on the open session agenda are available for public inspection. The records are available at the Peninsula Clean Energy offices or on PCEA Website at: <https://www.peninsulacleanenergy.com>.

Instructions for Joining a Zoom 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 2 below) rather than your computer audio

Options for Joining

- Videoconference with Computer Audio - see Option 1 below
- Videoconference with Phone Call Audio - see Option 2 below
- Calling in via Telephone/Landline - see Option 3 below

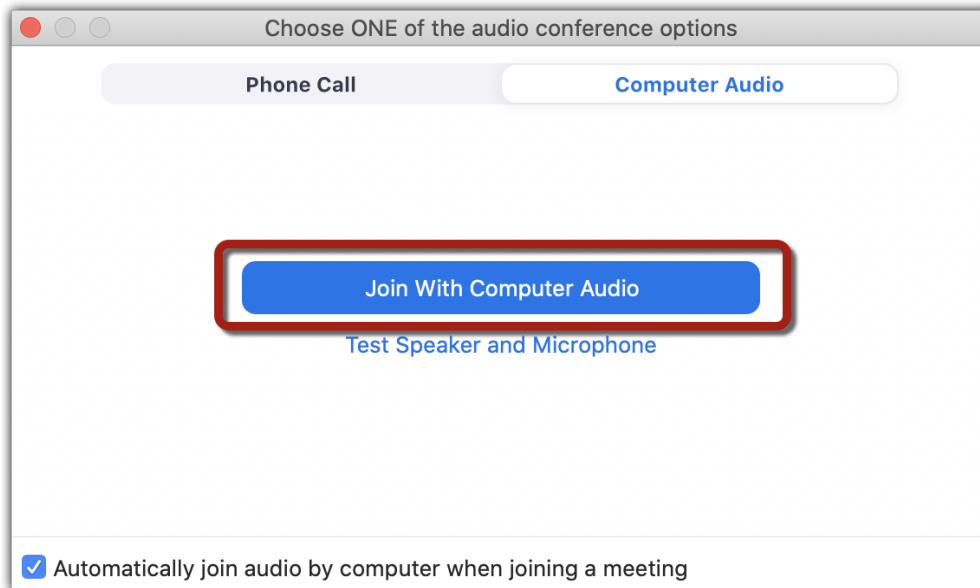
Videoconference Options:

Prior to the meeting, we recommend that you install the Zoom Meetings application on your computer by clicking here <https://zoom.us/download>.

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

Option 1 Videoconference with Computer Audio:

- From your computer, click on the following link that is also included in the meeting calendar invitation: <https://pencleanenergy.zoom.us/j/89514559357>
- The Zoom application will open on its own or you will be instructed to open Zoom.
- 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.

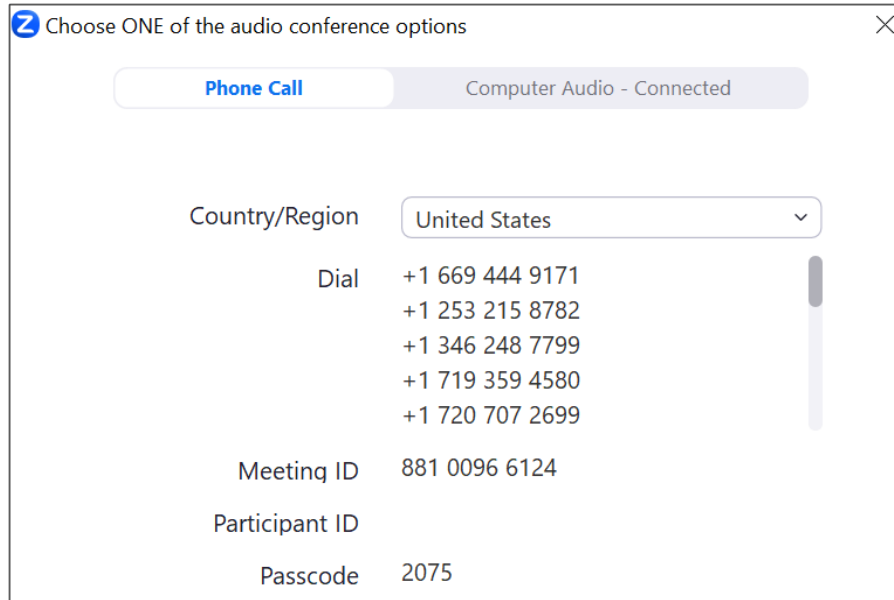


- Click the blue, "Join with Computer Audio" button.
- In order to enable video, click on "Start Video" in the bottom left-hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

Option 2 Videoconference with Phone Call Audio

- From your computer, click on the following link that is also included in the Meeting Calendar Invitation: <https://pencleanenergy.zoom.us/j/89514559357>
- The Zoom Application will open on its own or you will be instructed to Open Zoom.

- 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.



- Please dial +1 (669) 444-9171.
- You will be instructed to enter the meeting ID: **895-1455-9357 followed by #.**
- You will be instructed to enter in your participant ID. Your participant ID is unique to you and is what connects your phone number to your Zoom account.
- After a few seconds, your phone audio should be connected to the Zoom application on your computer.
- 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 via Telephone/Landline:

- Please dial +1 (669) 444-9171.
- You will be instructed to enter the meeting ID: **895-1455-9357 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 press # to stay on the line.
- You will be instructed to enter the meeting passcode **2075 followed by #.**



**PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence**

DATE: December 11, 2023
MEETING DATE: December 11, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Audit and Finance Committee
FROM: Nelly Wogberg, Board Clerk
SUBJECT: Approval of the 2024 Audit and Finance Committee Schedule of Meetings

RECOMMENDATION

Approve the 2024 Audit and Finance Committee Schedule of Meetings.

BACKGROUND

Every year, the Peninsula Clean Energy Authority Audit and Finance Committee approves a schedule of regular meetings for the upcoming year. Generally, the PCE Audit and Finance Committee meets on the second Monday of each month at 8:30 a.m., but due to holidays there are sometimes exceptions to this meeting schedule. The schedule of meetings presented creates a regular meeting schedule with those adjustments noted. Please note, this schedule does not preclude any Special meetings that may be needed throughout the year.

DISCUSSION

In the 2024 Schedule of Meetings, the exceptions from the general meeting date on the second Monday of the month are as follows:

- October 15, 2024 is a meeting on the second Tuesday due to the Columbus Day holiday
- November 12, 2024 is a meeting on the second Tuesday due to the Veteran's Day holiday

ATTACHMENTS:

[AFC 2024 Meeting Schedule.pdf](#)



2024 Audit & Finance Committee Meeting Schedule

Location: Video/Teleconference/PCEA Lobby/Check Agenda

Meeting Date:	Time:	Primary Purpose:	Location:
February 12, 2024	8:30 am	Q2-FY 2023 Financial Review	Video/Teleconference/PCEA Lobby/Check Agenda
May 13, 2024	8:30 am	Q3-FY2023 Financial Review/Budget Draft #1	Video/Teleconference/PCEA Lobby/Check Agenda
June 10, 2024	8:30 am	Budget Draft #2/Budget Final	Video/Teleconference/PCEA Lobby/Check Agenda
August 12, 2024	8:30 am	Q4-FY2023 Financial Review	Video/Teleconference/PCEA Lobby/Check Agenda
October 15, 2024 (Tuesday)	8:30 am	Review Audited Financial Statements FY2023	Video/Teleconference/PCEA Lobby/Check Agenda
November 12, 2024 (Tuesday)	8:30 am	Q1-FY2024 Financial Review	Video/Teleconference/PCEA Lobby/Check Agenda



**PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence**

DATE: December 11, 2023
MEETING DATE: December 11, 2023
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Audit and Finance Committee
FROM: Andy Stern, Interim Chief Financial Officer
SUBJECT: Quarter 1 - Fiscal Year 2024 Financial Report (Quarter ending September 30,2023)

BACKGROUND

Staff will present financial summary compared to budget for the quarter ending September 30, 2023.

ATTACHMENTS:

[PCE Quarterly Financial Package.pdf](#)

Peninsula Clean Energy
Performance at a Glance
Results for the Fiscal Quarter Ended
September 30, 2023
(\$000s)

Peninsula Clean Energy
Performance at a Glance
Results for the Fiscal Quarter Ended
September 30, 2023
(\$000s)

<u>Net Position Balance</u>		
<u>Fiscal Year</u>	<u>Actual/Budget</u>	<u>Amount</u>
June 30, 2016	Audited	(\$1,044)
June 30, 2017	Audited	\$21,711
June 30, 2018	Audited	\$85,365
June 30, 2019	Audited	\$140,139
June 30, 2020	Audited	\$189,072
June 30, 2021	Audited	\$180,717
June 30, 2022	Audited	\$167,671
June 30, 2023	Audited	\$307,626
09/30/23	Actual	\$340,867
June 30, 2024	Budget	\$425,043

<u>Unrestricted Cash/Investments Balance</u>		
<u>Fiscal Year</u>	<u>Actual/Budget</u>	<u>Amount</u>
June 30, 2016	Audited	\$3,833
June 30, 2017	Audited	\$18,882
June 30, 2018	Audited	\$64,689
June 30, 2019	Audited	\$114,069
June 30, 2020	Audited	\$177,629
June 30, 2021	Audited	\$165,652
June 30, 2022	Audited	\$135,090
June 30, 2023	Audited	\$254,074
09/30/23	Actual	\$293,676
June 30, 2024	Budget	\$405,796

<u>Change in Net Position</u>		
<u>Fiscal Year</u>	<u>Actual/Budget</u>	<u>Amount</u>
FY2015-2016	Audited	(\$1,044)
FY2016-2017	Audited	\$22,755
FY2017-2018	Audited	\$63,655
FY2018-2019	Audited	\$54,774
FY2019-2020	Audited	\$48,933
FY2020-2021	Audited	(\$8,355)
FY2021-2022	Audited	(\$13,046)
FY2022-2023	Audited	\$139,955
09/30/23	Actual	\$33,241
FY2023-2024	Budget	\$130,357

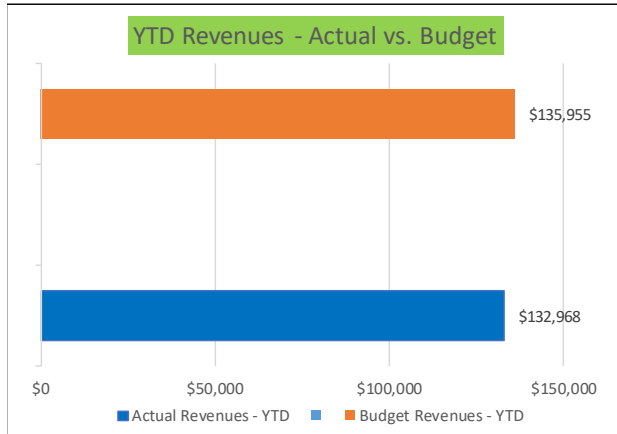
<u>Cost of Electricity</u>		
<u>Fiscal Year</u>	<u>Actual/Budget</u>	<u>Amount</u>
June 30, 2016	Audited	\$0
June 30, 2017	Audited	\$64,501
June 30, 2018	Audited	\$170,135
June 30, 2019	Audited	\$194,035
June 30, 2020	Audited	\$216,066
June 30, 2021	Audited	\$213,834
June 30, 2022	Audited	\$226,678
June 30, 2023	Audited	\$265,208
09/30/23	Actual	\$93,757
June 30, 2024	Budget	\$306,770

<u>Revenues</u>		
<u>Fiscal Year</u>	<u>Actual/Budget</u>	<u>Amount</u>
FY2015-2016	Audited	\$0
FY2016-2017	Audited	\$93,129
FY2017-2018	Audited	\$244,738
FY2018-2019	Audited	\$259,782
FY2019-2020	Audited	\$278,093
FY2020-2021	Audited	\$228,101
FY2021-2022	Audited	\$237,899
FY2022-2023	Audited	\$428,218
09/30/23	Actual	\$132,968
FY2023-2024	Budget	\$471,637

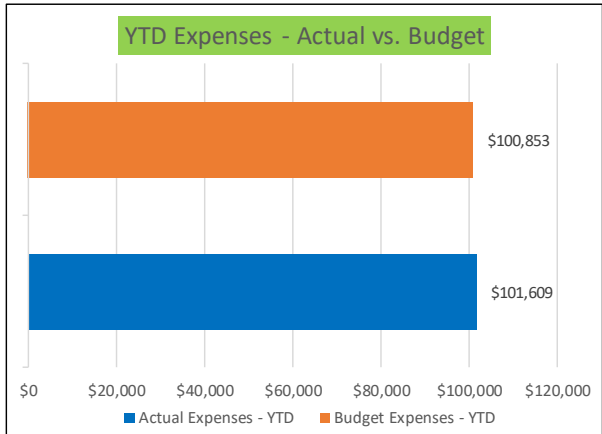
<u>Total Operating Expenses</u>		
<u>Fiscal Year</u>	<u>Actual/Budget</u>	<u>Amount</u>
FY2015-2016	Audited	\$1,041
FY2016-2017	Audited	\$70,104
FY2017-2018	Audited	\$180,970
FY2018-2019	Audited	\$206,912
FY2019-2020	Audited	\$231,337
FY2020-2021	Audited	\$236,303
FY2021-2022	Audited	\$246,539
FY2022-2023	Audited	\$291,154
09/30/23	Actual	\$101,609
FY2023-2024	Budget	\$343,647

Peninsula Clean Energy
Performance at a Glance
Results for the Fiscal Quarter Ended
September 30, 2023
 (\$000s)

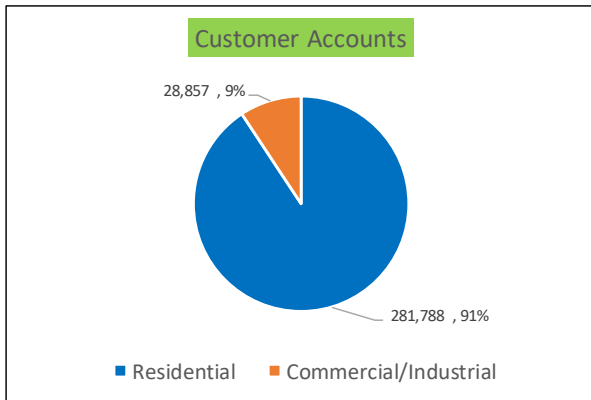
YTD Revenues



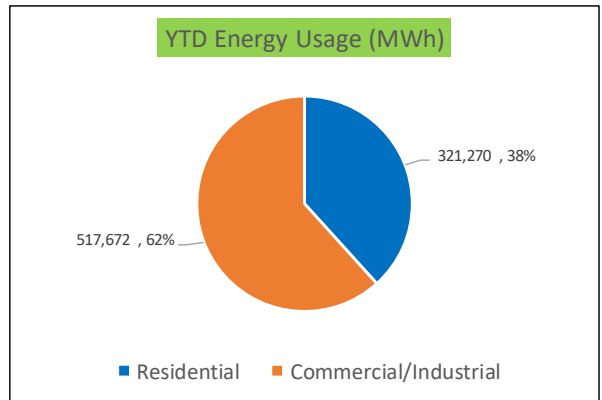
YTD Expenses



Customer Accounts



Energy Used





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, 2023, 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 23, 2023

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of September 30, 2023

ASSETS

Current assets

Cash and cash equivalents	\$ 169,218,452
Accounts receivable, net of allowance	44,197,237
Accrued revenue	24,312,515
Investments	7,274,475
Other receivables	3,328,381
Prepaid expenses	1,212,414
Deposits	16,298,723
Total current assets	<u>265,842,197</u>

Noncurrent assets

Investments	116,561,695
Other receivables	2,160,054
Deposits and other assets	189,322
Lease asset, net of amortization	1,478,152
Capital assets and construction in progress, net of depreciation	2,940,671
Total noncurrent assets	<u>123,329,894</u>

Total assets 389,172,091

LIABILITIES

Current liabilities

Accrued cost of electricity	33,430,871
Accounts payable	2,856,762
Other accrued liabilities	1,035,646
Deferred revenue	4,893,293
User taxes and energy surcharges due to other governments	1,391,391
Deposits - energy suppliers	1,259,999
Lease liability	507,807
Total current liabilities	<u>45,375,769</u>

Noncurrent liabilities

Deposits - energy suppliers	1,799,451
Lease liability	1,129,606
Total noncurrent liabilities	<u>2,929,057</u>

Total liabilities 48,304,826

NET POSITION

Net investment in capital assets	1,636,779
Unrestricted	<u>339,230,486</u>
Total net position	<u>\$ 340,867,265</u>

PENINSULA CLEAN ENERGY AUTHORITY

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

Three Months Ended September 30, 2023

OPERATING REVENUES

Electricity sales, net	\$	131,699,193
Green electricity premium		768,582
Liquidated damages revenue		500,000
Total operating revenues		<u>132,967,775</u>

OPERATING EXPENSES

Cost of electricity		93,757,225
Contract services		2,666,718
Staff compensation		2,166,968
Other operating expenses		2,863,533
Depreciation and amortization		141,650
Total operating expenses		<u>101,596,094</u>
Operating income (loss)		<u>31,371,681</u>

NONOPERATING REVENUES (EXPENSES)

Interest and investment returns		1,882,920
Finance costs		(13,328)
Nonoperating revenues (expenses), net		<u>1,869,592</u>

CHANGE IN NET POSITION

Net position at beginning of period		<u>307,625,992</u>
Net position at end of period	\$	<u><u>340,867,265</u></u>

PENINSULA CLEAN ENERGY AUTHORITY
STATEMENT OF CASH FLOWS
Three Months Ended September 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 125,854,728
Receipts of supplier security deposits	95,000
Payments to suppliers for electricity	(75,670,291)
Payments for other goods and services	(5,976,960)
Payments for deposits and collateral	(1,608,725)
Payments of staff compensation	(2,077,132)
Payments of taxes and surcharges to other governments	(1,581,521)
Net cash provided (used) by operating activities	39,035,099

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments of lease obligation	(135,839)
Payments to acquire capital assets	(1,139,039)
Net cash provided (used) by capital and related financing activities	(1,274,878)

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from investment sales	16,380,355
Investment income received	1,903,799
Purchase of investments	(17,051,212)
Net cash provided (used) by investing activities	1,232,942

Net change in cash and cash equivalents	38,993,163
Cash and cash equivalents at beginning of period	130,225,289
Cash and cash equivalents at end of period	\$ 169,218,452

SUPPLEMENTAL CASH FLOW INFORMATION

Capital acquisitions included in accounts payable and other liabilities	\$ 1,262,016
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PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (continued)
Three Months Ended September 30, 2023

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

Operating income (loss)	\$ 31,371,681
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation and amortization expense	141,650
(Increase) decrease in:	
Accounts receivable	(6,972,438)
Accrued revenue	(2,087,955)
Other receivables	2,032,389
Prepaid expenses	7,353,795
Deposits and other assets	(15,625)
Increase (decrease) in:	
Accrued cost of electricity	7,784,301
Accounts payable	551,016
Deferred revenue	49,230
Other accrued liabilities	174,060
User taxes and energy surcharges due to other governments	151,095
Supplier security deposits	(1,498,100)
Net cash provided (used) by operating activities	<u>\$ 39,035,099</u>



PENINSULA CLEAN ENERGY - PFM

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Period from July 1, 2023 to September 30, 2023

MARKET VALUE RECONCILIATION

	CURRENT PERIOD 07/01/2023 TO 09/30/2023	YEAR TO DATE 07/01/2023 TO 09/30/2023
Beginning Market Value	64,338,327.34	64,338,327.34
Asset Activity		
Taxable Interest	320,411.43	320,411.43
Realized Gain/Loss	- 546,246.29	- 546,246.29
Change In Unrealized Gain/Loss	397,209.74	397,209.74
Change In Accrued Income	- 21,345.20	- 21,345.20
Total Asset Activity	150,029.68	150,029.68
Net Change In Market Value	150,029.68	150,029.68
Ending Market Value	64,488,357.02	64,488,357.02

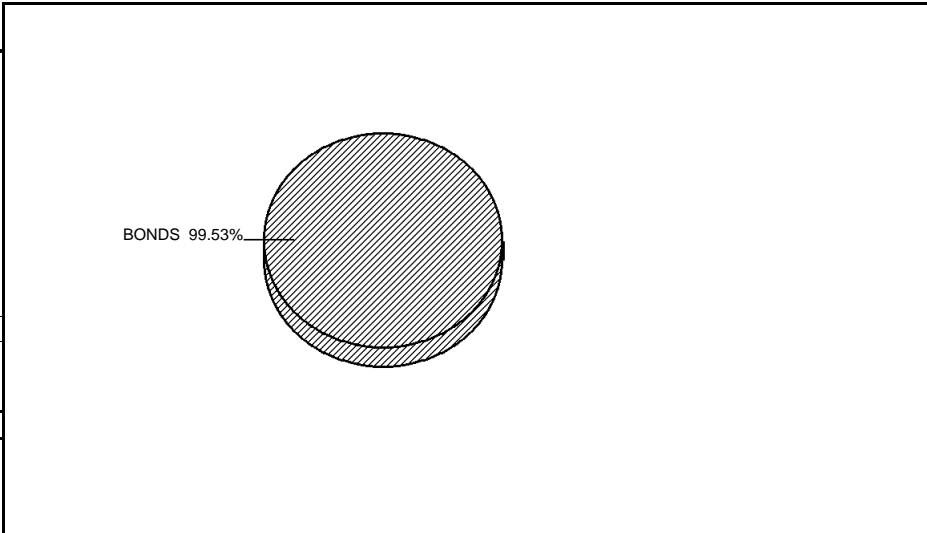


PENINSULA CLEAN ENERGY - PFM

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 Period from July 1, 2023 to September 30, 2023

ASSET SUMMARY

ASSETS	09/30/2023 MARKET VALUE	% OF MARKET
Cash And Equivalents	15,230.72	0.02
U.S. Government Issues	39,878,525.04	61.84
Corporate Issues	17,011,180.10	26.38
Foreign Issues	929,284.80	1.44
Municipal Issues	6,363,207.55	9.87
Total Assets	64,197,428.21	99.55
Accrued Income	290,928.81	0.45
Grand Total	64,488,357.02	100.00





PENINSULA CLEAN ENERGY - FRB
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 Period from July 1, 2023 to September 30, 2023

MARKET VALUE RECONCILIATION

	CURRENT PERIOD 07/01/2023 TO 09/30/2023	YEAR TO DATE 07/01/2023 TO 09/30/2023
Beginning Market Value	60,015,742.82	60,015,742.82
Disbursements		
Cash Disbursements	- 18,001.33	- 18,001.33
Total Disbursements	- 18,001.33	- 18,001.33
Asset Activity		
Taxable Interest	54,432.15	54,432.15
Realized Gain/Loss	- 6,873.43	- 6,873.43
Change In Unrealized Gain/Loss	41,547.57	41,547.57
Change In Accrued Income	73,783.67	73,783.67
Total Asset Activity	162,889.96	162,889.96
Net Change In Market Value	144,888.63	144,888.63
Ending Market Value	60,160,631.45	60,160,631.45



PENINSULA CLEAN ENERGY - FRB

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 Period from July 1, 2023 to September 30, 2023

ASSET SUMMARY

ASSETS	09/30/2023 MARKET VALUE	% OF MARKET
Cash And Equivalents	176,520.08	0.29
U.S. Government Issues	41,960,790.34	69.75
Corporate Issues	17,693,202.59	29.41
Total Assets	59,830,513.01	99.45
Accrued Income	330,118.44	0.55
Grand Total	60,160,631.45	100.00

