



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Peninsula Clean Energy Authority

Management is responsible for the accompanying financial statements of Peninsula Clean Energy Authority (the Authority), a California Joint Powers Authority, which comprise the statements of net position as of March 31, 2018, and February 28, 2018, and the statements of revenues, expenses, and changes in net position for the month and year-to-date ending March 31, 2018, and the statement cash flows for the period ended March 31, 2018, 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 disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
April 30, 2018



PENINSULA CLEAN ENERGY AUTHORITY

**STATEMENTS OF NET POSITION
As of March 31, and February 28, 2018**

	<u>March</u>	<u>February</u>	<u>Increase (Decrease)</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 59,341,293	\$ 57,019,910	\$ 2,321,383
Accounts receivable, net of allowance	16,168,111	15,817,133	350,978
Other receivables	206,497	90,357	116,140
Accrued revenue	10,205,706	9,818,516	387,190
Prepaid expenses	158,800	109,594	49,206
Deposits	614,556	1,924,926	(1,310,370)
Total current assets	<u>86,694,963</u>	<u>84,780,436</u>	<u>1,914,527</u>
Noncurrent assets			
Capital assets, net of depreciation	311,729	313,261	(1,532)
Deposits	135,355	135,355	-
Total noncurrent assets	<u>447,084</u>	<u>448,616</u>	<u>(1,532)</u>
Total assets	<u>87,142,047</u>	<u>85,229,052</u>	<u>1,912,995</u>
LIABILITIES			
Current liabilities			
Accounts payable	1,165,865	342,485	823,380
Accrued cost of electricity	25,514,949	24,672,747	842,202
Accrued payroll and related liabilities	132,778	124,456	8,322
Other accrued liabilities	-	365,000	(365,000)
Supplier security deposits	50,000	50,000	-
User taxes and energy surcharges due to other govts	722,944	626,175	96,769
Total current liabilities	<u>27,586,536</u>	<u>26,180,863</u>	<u>1,405,673</u>
Noncurrent liabilities			
Supplier security deposits	192,190	75,000	117,190
Total liabilities	<u>27,778,726</u>	<u>26,255,863</u>	<u>1,522,863</u>
NET POSITION			
Net investment in capital assets	311,729	313,261	(1,532)
Unrestricted	59,051,592	58,659,928	391,664
Total net position	<u>\$ 59,363,321</u>	<u>\$ 58,973,189</u>	<u>\$ 390,132</u>

PENINSULA CLEAN ENERGY AUTHORITY
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Month and Nine Months Ended March 31, 2018

	Month	Nine Months
OPERATING REVENUES		
Electricity sales, net	\$ 17,561,223	\$ 176,840,652
Green electricity premium	171,464	1,009,101
Electricity sales for resale	23,750	23,750
Total operating revenues	17,756,437	177,873,503
OPERATING EXPENSES		
Cost of electricity	16,353,624	131,930,950
Staff compensation and benefits	194,526	1,527,911
Data manager	348,885	3,037,125
Service fees - PG&E	102,805	1,123,349
Consultants and other professional fees	22,510	356,817
Legal	139,277	945,197
Communications and noticing	20,568	429,151
General and administration	160,909	641,157
Depreciation	5,328	39,161
Total operating expenses	17,348,432	140,030,818
Operating income (loss)	408,005	37,842,685
NONOPERATING REVENUES (EXPENSES)		
Interest income	19,927	30,480
Interest and related expense	(37,800)	(220,373)
Total nonoperating revenues (expenses)	(17,873)	(189,893)
CHANGE IN NET POSITION		
Net position at beginning of period	58,973,189	21,710,529
Net position at end of period	\$ 59,363,321	\$ 59,363,321

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2017 through March 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 184,439,994
Receipts from supplier security deposits	117,190
Tax and surcharge receipts from customers	3,103,297
Payments to purchase electricity	(130,867,944)
Payments for staff compensation and benefits	(1,510,061)
Payments for data manager	(2,689,288)
Payments for service fees - PG&E	(1,149,937)
Payments for consultants and other professional fees	(368,878)
Payments for legal	(926,680)
Payments for communications and noticing	(507,412)
Payments for general and administration	(539,758)
Tax and surcharge payments to other governments	(3,038,236)
Net cash provided (used) by operating activities	<u>46,062,287</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Principal payments on loan	(7,480,800)
Deposits and collateral paid	(2,633,718)
Deposits and collateral received	3,426,120
Interest and related expense payments	(216,703)
Net cash provided (used) by non-capital financing activities	<u>(6,905,101)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(228,629)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>31,038</u>
Net change in cash and cash equivalents	38,959,595
Cash and cash equivalents at beginning of year	20,381,698
Cash and cash equivalents at end of period	<u>\$ 59,341,293</u>

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (continued)

July 1, 2017 through March 31, 2018

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

Operating income (loss)	\$ 37,842,685
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	39,161
Revenue reduced for uncollectible accounts	624,660
(Increase) decrease in accounts receivable	4,332,067
(Increase) decrease in other receivables	(173,238)
(Increase) decrease in accrued revenue	1,664,413
(Increase) decrease in prepaid expenses	65,724
Increase (decrease) in accounts payable	371,256
Increase (decrease) in accrued payroll and related	16,773
Increase (decrease) in accrued cost of electricity	1,127,434
Increase (decrease) in user taxes and energy surcharges due to other governments	34,162
Increase (decrease) in supplier security deposits	117,190
Net cash provided (used) by operating activities	<u>\$ 46,062,287</u>