



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, 2021, 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
April 26, 2021

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of March 31, 2021

ASSETS

Current assets

Cash and cash equivalents	\$ 20,953,081
Accounts receivable, net of allowance	17,011,469
Accrued revenue	7,852,098
Investments	23,718,404
Other receivables	1,670,126
Prepaid expenses	1,348,752
Deposits	3,781,670
Restricted cash	4,949,194
Total current assets	<u>81,284,794</u>

Noncurrent assets

Capital assets, net of depreciation	358,362
Investments	144,769,793
Deposits	281,840
Total noncurrent assets	<u>145,409,995</u>
Total assets	<u>226,694,789</u>

LIABILITIES

Current liabilities

Accrued cost of electricity	26,830,954
Accounts payable	1,370,151
Accrued payroll	491,638
Other accrued liabilities	406,961
Supplier deposits - energy suppliers	3,474,597
User taxes and energy surcharges due to other governments	813,227
Total current liabilities	<u>33,387,528</u>

Noncurrent liabilities

Supplier deposits - energy suppliers	1,593,433
Total liabilities	<u>34,980,961</u>

NET POSITION

Investment in capital assets	358,362
Restricted for security collateral	4,949,194
Unrestricted	186,406,272
Total net position	<u>\$ 191,713,828</u>

PENINSULA CLEAN ENERGY AUTHORITY

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

July 1, 2020 through March 31, 2021

OPERATING REVENUES

Electricity sales, net	\$	182,192,362
Green electricity premium		2,006,949
Total operating revenues		<u>184,199,311</u>

OPERATING EXPENSES

Cost of electricity		167,381,213
Contract services		7,640,000
Staff compensation and benefits		4,136,222
General and administration		1,911,623
Depreciation		69,321
Total operating expenses		<u>181,138,379</u>
Operating income (loss)		<u>3,060,932</u>

NONOPERATING REVENUES (EXPENSES)

Interest and investment income (loss)		(322,836)
Charitable contributions		(50,000)
Finance costs		(46,000)
Nonoperating revenues (expenses), net		<u>(418,836)</u>

CHANGE IN NET POSITION

Net position at beginning of period		<u>189,071,732</u>
Net position at end of period	\$	<u><u>191,713,828</u></u>

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2020 through March 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 199,218,356
Receipts from supplier security deposits	2,265,450
Payments to suppliers for electricity	(196,321,527)
Payments to suppliers for other goods and services	(9,034,264)
Payments for staff compensation and benefits	(4,041,767)
Payments of taxes and surcharges to other governments	(3,276,457)
Payments of charitable contributions	(50,000)
Net cash provided (used) by operating activities	<u>(11,240,209)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Finance costs paid	(46,000)
Deposits and collateral paid	<u>(6,034,920)</u>
Net cash provided (used) by non-capital financing activities	<u>(3,974,670)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(15,166)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from investment sales	115,126,902
Investment income received	1,152,039
Purchase of investments	<u>(123,584,297)</u>
Net cash provided (used) by investing activities	<u>(7,305,356)</u>

Net change in cash and cash equivalents	(22,535,401)
Cash and cash equivalents at beginning of period	48,437,676
Cash and cash equivalents at end of period	<u>\$ 25,902,275</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 20,953,081
Restricted cash	4,949,194
Cash and cash equivalents	<u>\$ 25,902,275</u>

PENINSULA CLEAN ENERGY AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2020 through March 31, 2021

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

Operating income (loss)	\$	3,060,932
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense		69,321
Revenue adjusted for uncollectible accounts		591,330
Charitable contributions considered an operating activity for cash flow purposes only		(50,000)
(Increase) decrease in:		
Accounts receivable		5,305,793
Accrued revenue		5,889,627
Other receivables		138,037
Prepaid expenses		2,340,606
Increase (decrease) in:		
Accrued cost of electricity		(2,004,582)
Accounts payable		175,557
Accrued payroll and related		133,424
Other accrued liabilities		(1,299,176)
User taxes and energy surcharges due to other governments		(44,162)
Supplier security deposits		(25,546,916)
Net cash provided (used) by operating activities	\$	<u><u>(11,240,209)</u></u>