



## ACCOUNTANTS' COMPILATION REPORT

Management  
Sonoma Clean Power Authority

Management is responsible for the accompanying financial statements of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the statement of net position as of February 28, 2018, and the related statement of revenues, expenses, and changes in net position, and the statement 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 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  
March 20, 2018



# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION

As of February 28, 2018

### ASSETS

Current assets	
Cash and cash equivalents	\$ 58,862,066
Accounts receivable, net of allowance	16,515,959
Other receivables	31,100
Accrued revenue	7,167,113
Prepaid expenses	171,685
Deposits	523,063
Total current assets	<u>83,270,986</u>
Noncurrent assets	
Capital assets, net of depreciation	225,652
Deposits	4,114,666
Total noncurrent assets	<u>4,340,318</u>
Total assets	<u>87,611,304</u>

### LIABILITIES

Current liabilities	
Accounts payable	322,303
Accrued cost of electricity	12,348,913
Other accrued liabilities	599,997
User taxes and energy surcharges due to other governments	428,922
Total current liabilities	<u>13,700,135</u>
Noncurrent liabilities	
Supplier security deposits	<u>150,000</u>
Total liabilities	<u>13,850,135</u>

### NET POSITION

Net investment in capital assets	225,652
Unrestricted	<u>73,535,517</u>
Total net position	<u>\$ 73,761,169</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**July 1, 2017 through February 28, 2018**

**OPERATING REVENUES**

Electricity sales, net	\$ 117,555,597
Evergreen electricity premium	279,111
Electricity sales for resale	369,400
Liquidated damages	22,440
Total operating revenues	<u>118,226,548</u>

**OPERATING EXPENSES**

Cost of electricity	95,170,564
Staff compensation	1,946,339
Data manager	2,096,703
Service fees - PG&E	800,381
Consultants and other professional fees	1,143,185
Legal	169,182
Communications	919,940
General and administration	436,809
Program rebates and incentives	1,672,403
Depreciation	39,727
Total operating expenses	<u>104,395,233</u>
Operating income	<u>13,831,315</u>

**NONOPERATING REVENUES (EXPENSES)**

Interest income	315,210
Charitable contributions	(290,000)
Total nonoperating revenues (expenses)	<u>25,210</u>

**CHANGE IN NET POSITION**

	13,856,525
Net position at beginning of period	<u>59,904,644</u>
Net position at end of period	<u>\$ 73,761,169</u>

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS July 1, 2017 through February 28, 2018

### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 118,464,836
Receipts from electricity sales for resale	553,577
Receipts from supplier for security deposits	2,325,000
Tax and surcharge receipts from customers	1,592,986
Payments to purchase electricity	(94,696,473)
Payments for staff compensation	(1,987,035)
Payments for contract services	(4,236,813)
Payments for communications	(966,142)
Payments for general and administration	(531,290)
Payments for program rebates and incentives	(1,779,403)
Return of security deposits to suppliers	(4,650,000)
Tax and surcharge payments to other governments	(1,640,797)
Deposits and collateral paid	(562,290)
Payments for charitable contributions	(290,000)
Net cash provided (used) by operating activities	<u>11,596,156</u>

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(83,182)</u>
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### CASH FLOWS FROM INVESTING ACTIVITIES

Return of certificate of deposit	7,028,428
Interest income received	285,210
Net cash provided (used) by investing activities	<u>7,313,638</u>

Net change in cash and cash equivalents	18,826,612
Cash and cash equivalents at beginning of year	<u>40,035,454</u>
Cash and cash equivalents at end of period	<u>\$ 58,862,066</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF CASH FLOWS (continued)**  
**July 1, 2017 through February 28, 2018**

**RECONCILIATION OF OPERATING INCOME TO NET  
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 13,831,315
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	39,727
Revenue reduced for uncollectible accounts	592,135
Charitable contributions considered an operating activity for cash flow purposes only	(290,000)
(Increase) decrease in net accounts receivable	(1,492,113)
(Increase) decrease in other receivables	183,077
(Increase) decrease in accrued revenue	1,526,367
(Increase) decrease in prepaid expenses	(124,894)
(Increase) decrease in current deposits	(646,709)
Increase (decrease) in accounts payable	(412,939)
Increase (decrease) in accrued cost of electricity	55,930
Increase (decrease) in accrued liabilities	703,332
Increase (decrease) in user taxes and energy surcharges due to other governments	(44,072)
Increase (decrease) in supplier security deposits	(2,325,000)
Net cash provided (used) by operating activities	<u>\$ 11,596,156</u>

operating activity for cash flow purposes only