



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 August 31, 2017, 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
October 9, 2017



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of August 31, 2017

ASSETS

Current assets	
Cash and cash equivalents	\$ 55,827,759
Accounts receivable, net of allowance	17,293,105
Other receivables	30,400
Accrued revenue	10,284,880
Prepaid expenses	120,018
Deposits	323,961
Total current assets	<u>83,880,123</u>
Noncurrent assets	
Capital assets, net of depreciation	229,247
Deposits	3,714,666
Total noncurrent assets	<u>3,943,913</u>
Total assets	<u>87,824,036</u>

LIABILITIES

Current liabilities	
Accounts payable	663,523
Accrued cost of electricity	14,145,366
Other accrued liabilities	272,835
User taxes and energy surcharges due to other governments	486,247
Total current liabilities	<u>15,567,971</u>
Noncurrent liabilities	
Supplier security deposits	<u>4,800,000</u>
Total liabilities	<u>20,367,971</u>

NET POSITION

Net investment in capital assets	229,247
Unrestricted	<u>67,226,818</u>
Total net position	<u>\$ 67,456,065</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2017 through August 31, 2017

OPERATING REVENUES

Electricity sales, net	\$ 35,165,972
Evergreen electricity premium	53,059
Electricity sales for resale	117,050
Total operating revenues	<u>35,336,081</u>

OPERATING EXPENSES

Cost of electricity	25,844,109
Staff compensation	440,613
Data manager	533,286
Service fees - PG&E	200,164
Consultants and other professional fees	176,202
Legal	45,371
Communications	240,470
General and administration	104,677
Program rebates and incentives	248,623
Depreciation	8,971
Total operating expenses	<u>27,842,486</u>
Operating income	<u>7,493,595</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>57,826</u>
-----------------	---------------

CHANGE IN NET POSITION

Net position at beginning of period	<u>59,904,644</u>
Net position at end of period	<u><u>\$ 67,456,065</u></u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2017 through August 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 31,950,507
Receipts from electricity sales for resale	270,827
Receipts from supplier security deposits	2,325,000
Tax and surcharge receipts from customers	443,294
Payments to purchase electricity	(23,518,596)
Payments for staff compensation	(531,460)
Payments for contract services	(989,323)
Payments for communications	(226,613)
Payments for general and administration	(212,401)
Payments for program rebates and incentives	(319,123)
Tax and surcharge payments to other governments	(430,041)
Net cash provided (used) by operating activities	<u>8,762,071</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(56,020)</u>
-------------------------------	-----------------

CASH FLOWS FROM INVESTING ACTIVITIES

Return of certificate of deposit	7,028,428
Interest income received	57,826
Net cash provided (used) by investing activities	<u>7,086,254</u>

Net change in cash and cash equivalents	15,792,305
Cash and cash equivalents at beginning of year	40,035,454
Cash and cash equivalents at end of period	<u>\$ 55,827,759</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2017 through August 31, 2017

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

Operating income	\$ 7,493,595
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	8,970
Revenue reduced for uncollectible accounts	176,981
(Increase) decrease in net accounts receivable	(1,854,105)
(Increase) decrease in other receivables	153,777
(Increase) decrease in accrued revenue	(1,591,400)
(Increase) decrease in prepaid expenses	(73,227)
(Increase) decrease in current deposits	(47,607)
Increase (decrease) in accounts payable	(71,719)
Increase (decrease) in accrued cost of electricity	1,402,092
Increase (decrease) in accrued liabilities	826,461
Increase (decrease) in user taxes and energy surcharges due to other governments	13,253
Increase (decrease) in supplier security deposits	2,325,000
Net cash provided (used) by operating activities	<u>\$ 8,762,071</u>