



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 October 31, 2018, and the related 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 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
November 29, 2018



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of October 31, 2018

ASSETS

Current assets	
Cash and cash equivalents	\$ 49,967,605
Investment in Sonoma County Investment Pool	15,243,019
Accounts receivable, net of allowance	18,514,681
Other receivables	373,936
Accrued revenue	8,374,167
Prepaid expenses	878,644
Deposits	791,789
Total current assets	<u>94,143,841</u>
Noncurrent assets	
Land	860,520
Capital assets, net of depreciation	2,688,656
Deposits	5,430,922
Total noncurrent assets	<u>8,980,098</u>
Total assets	<u>103,123,939</u>

LIABILITIES

Current liabilities	
Accounts payable	799,547
Accrued cost of electricity	14,046,391
Advanced from grantors	491,750
Other accrued liabilities	400,065
User taxes and energy surcharges due to other governments	424,594
Total current liabilities	<u>16,162,347</u>

NET POSITION

Investment in capital assets	3,549,176
Unrestricted	83,412,416
Total net position	<u>\$ 86,961,592</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2018 through October 31, 2018

OPERATING REVENUES

Electricity sales, net	\$ 66,184,431
Evergreen electricity premium	137,085
Electricity sales for resale	28,000
Grant revenue	271,686
Total operating revenues	<u>66,621,202</u>

OPERATING EXPENSES

Cost of electricity	51,742,073
Staff compensation	1,065,875
Data manager	1,050,422
Service fees - PG&E	315,344
Consultants and other professional fees	805,714
Legal	136,901
Communications	601,260
General and administration	295,695
Program rebates and incentives	667,610
Depreciation	20,045
Total operating expenses	<u>56,700,939</u>
Operating income	<u>9,920,263</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>280,202</u>
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CHANGE IN NET POSITION

	10,200,465
Net position at beginning of period	<u>76,761,127</u>
Net position at end of period	<u>\$ 86,961,592</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2018 through October 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 66,871,390
Receipts from electricity sales for resale	59,013
Tax and surcharge receipts from customers	851,978
Payments to purchase electricity	(51,403,688)
Payments for staff compensation	(1,117,678)
Payments for contract services	(2,246,284)
Payments for communications	(841,199)
Payments for general and administration	(428,499)
Payments for program rebates and incentives	(814,070)
Tax and surcharge payments to other governments	(905,429)
Deposits and collateral paid	(1,300,000)
Payments for charitable contributions	(108,000)
Net cash provided (used) by operating activities	<u>8,617,534</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(176,163)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>321,435</u>
Net cash provided (used) by investing activities	<u>321,435</u>

Net change in cash and cash equivalents (including County Investment Pool)	8,762,806
Cash and cash equivalents at beginning of year	<u>56,447,818</u>
Cash and cash equivalents at end of year	<u>\$ 65,210,624</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents	\$ 49,967,605
Investment in Sonoma County Investment Pool	<u>15,243,019</u>
Cash and cash equivalents	<u>\$ 65,210,624</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2018 through October 31, 2018

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

Operating income	\$ 9,920,263
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	20,045
Revenue reduced for uncollectible accounts	333,275
Charitable contributions considered an operating activity for cash flow purposes only	(108,000)
(Increase) decrease in net accounts receivable	(983,808)
(Increase) decrease in other receivables	(232,423)
(Increase) decrease in accrued revenue	1,198,855
(Increase) decrease in prepaid expenses	(348,113)
(Increase) decrease in current deposits	(1,563,680)
Increase (decrease) in accounts payable	(226,302)
Increase (decrease) in accrued cost of electricity	(665,518)
Increase (decrease) in advance from grantors	(8,250)
Increase (decrease) in accrued liabilities	1,333,088
Increase (decrease) in user taxes and energy surcharges due to other governments	(51,898)
Net cash provided (used) by operating activities	<u>\$ 8,617,534</u>