



## 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 December 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 note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Sonoma Clean Power Authority's annual audited financial statements 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 the Authority because we performed certain accounting services that impaired our independence.

*MAHER ACCOUNTANCY*

San Rafael, CA

January 28, 2019



# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION

As of December 31, 2018

### ASSETS

Current assets	
Cash and cash equivalents	\$ 52,148,883
Investment in Sonoma County Investment Pool	15,243,019
Accounts receivable, net of allowance	16,507,477
Other receivables	724,822
Accrued revenue	8,594,828
Prepaid expenses	1,859,626
Deposits	628,579
Total current assets	<u>95,707,234</u>
Noncurrent assets	
Land	860,520
Capital assets, net of depreciation	2,861,568
Deposits	5,459,242
Total noncurrent assets	<u>9,181,330</u>
Total assets	<u>104,888,564</u>

### LIABILITIES

Current liabilities	
Accounts payable	817,249
Accrued cost of electricity	14,168,902
Advanced from grantors	482,750
Other accrued liabilities	400,547
User taxes and energy surcharges due to other governments	497,095
Total current liabilities	<u>16,366,543</u>

### NET POSITION

Investment in capital assets	3,722,088
Unrestricted	84,799,933
Total net position	<u>\$ 88,522,021</u>

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

**OPERATING REVENUES**

Electricity sales, net	\$ 93,351,891
Evergreen electricity premium	216,049
Grant revenue	614,713
Total operating revenues	<u>94,182,653</u>

**OPERATING EXPENSES**

Cost of electricity	75,165,865
Staff compensation	1,606,674
Data manager	1,576,571
Service fees - PG&E	473,316
Consultants and other professional fees	1,305,573
Legal	175,416
Communications	758,198
General and administration	432,603
Program rebates and incentives	1,359,062
Depreciation	29,945
Total operating expenses	<u>82,883,223</u>
Operating income	<u>11,299,430</u>

**NONOPERATING REVENUES (EXPENSES)**

Interest income	<u>461,464</u>
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**CHANGE IN NET POSITION**

Net position at beginning of period	11,760,894
Net position at end of period	<u>76,761,127</u>
	<u>\$ 88,522,021</u>

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS July 1, 2018 through December 31, 2018

### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 95,904,966
Receipts from grantors	11,891
Receipts from supplier for security deposits	14,600
Tax and surcharge receipts from customers	1,228,436
Payments to purchase electricity	(75,676,196)
Payments for staff compensation	(1,659,253)
Payments for contract services	(3,523,228)
Payments for communications	(1,041,828)
Payments for general and administration	(437,277)
Payments for program rebates and incentives	(1,363,722)
Tax and surcharge payments to other governments	(1,209,994)
Deposits and collateral paid	(1,408,034)
Payments for charitable contributions	(108,000)
Net cash provided (used) by operating activities	<u>10,732,361</u>

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(250,974)</u>
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### CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>462,697</u>
Net cash provided (used) by investing activities	<u>462,697</u>

Net change in cash and cash equivalents (including County Investment Pool)	10,944,084
Cash and cash equivalents at beginning of year	<u>56,447,818</u>
Cash and cash equivalents at end of year	<u>\$ 67,391,902</u>

### Reconciliation to the Statement of Net Position

Cash and cash equivalents	\$ 52,148,883
Investment in Sonoma County Investment Pool	<u>15,243,019</u>
Cash and cash equivalents	<u>\$ 67,391,902</u>

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

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

Operating income	\$ 11,299,430
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	29,946
Revenue reduced for uncollectible accounts	470,192
Charitable contributions considered an operating activity for cash flow purposes only	(108,000)
(Increase) decrease in net accounts receivable	886,479
(Increase) decrease in other receivables	(543,309)
(Increase) decrease in accrued revenue	978,194
(Increase) decrease in prepaid expenses	(1,329,095)
(Increase) decrease in current deposits	(1,428,790)
Increase (decrease) in accounts payable	(316,602)
Increase (decrease) in accrued cost of electricity	(206,794)
Increase (decrease) in advance from grantors	(17,250)
Increase (decrease) in accrued liabilities	982,757
Increase (decrease) in user taxes and energy surcharges due to other governments	20,603
Increase (decrease) in supplier security deposits	14,600
Net cash provided (used) by operating activities	<u>\$ 10,732,361</u>