



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, 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
October 8, 2018



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of August 31, 2018

ASSETS

Current assets	
Cash and cash equivalents	\$ 44,326,458
Investment in Sonoma County Pooled Investment Fund	15,175,272
Accounts receivable, net of allowance	19,481,242
Other receivables	266,268
Accrued revenue	8,495,737
Prepaid expenses	828,962
Deposits	673,365
Total current assets	<u>89,247,304</u>
Noncurrent assets	
Nondepreciable assets	860,520
Capital assets, net of depreciation	2,536,139
Deposits	4,114,922
Total noncurrent assets	<u>7,511,581</u>
Total assets	<u>96,758,885</u>

LIABILITIES

Current liabilities	
Accounts payable	700,267
Accrued cost of electricity	14,497,984
Advance from grantors	500,000
Other accrued liabilities	337,215
User taxes and energy surcharges due to other governments	499,051
Total current liabilities	<u>16,534,517</u>

NET POSITION

Investment in capital assets	3,396,659
Unrestricted	76,827,709
Total net position	<u>\$ 80,224,368</u>

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

OPERATING REVENUES

Electricity sales, net	\$ 33,449,154
Evergreen electricity premium	69,436
Electricity sales for resale	28,000
Grant revenue	134,387
Total operating revenues	<u>33,680,977</u>

OPERATING EXPENSES

Cost of electricity	28,223,586
Staff compensation	512,750
Data manager	525,218
Service fees - PG&E	157,458
Consultants and other professional fees	296,968
Legal	66,965
Communications	260,258
General and administration	169,515
Program rebates and incentives	121,774
Depreciation	10,036
Total operating expenses	<u>30,344,528</u>
Operating income	<u>3,336,449</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>126,792</u>
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CHANGE IN NET POSITION

	3,463,241
Net position at beginning of period	<u>76,761,127</u>
Net position at end of period	<u>\$ 80,224,368</u>

SONOMA CLEAN POWER AUTHORITY

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

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 32,993,839
Receipts from electricity sales for resale	59,013
Tax and surcharge receipts from customers	427,084
Payments to purchase electricity	(27,366,433)
Payments for staff compensation	(583,496)
Payments for data manager	(524,698)
Payments for service fees - PG&E	(157,287)
Payments for consultants and other professional fees	(365,149)
Payments for legal services	(84,829)
Payments for communications	(493,233)
Payments for general and administration	(207,243)
Payments for program rebates and incentives	(250,774)
Tax and surcharge payments to other governments	(419,583)
Payments for charitable contributions	(108,000)
Net cash provided (used) by operating activities	<u>2,919,211</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(13,324)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>148,025</u>
Net cash provided (used) by investing activities	<u>148,025</u>

Net change in cash and cash equivalents (including County Pooled Investment Fund)	3,053,912
Cash and cash equivalents at beginning of year	<u>56,447,818</u>
Cash and cash equivalents at end of year	<u>\$ 59,501,730</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents	\$ 44,326,458
Investment in Sonoma County Pooled Investment Fund	<u>15,175,272</u>
Cash and cash equivalents	<u>\$ 59,501,730</u>

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

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

Operating income	\$ 3,336,449
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	10,037
Revenue reduced for uncollectible accounts	168,436
Charitable contributions considered an operating activity for cash flow purposes only	(108,000)
(Increase) decrease in net accounts receivable	(1,785,530)
(Increase) decrease in other receivables	(104,755)
(Increase) decrease in accrued revenue	1,077,285
(Increase) decrease in prepaid expenses	(298,431)
(Increase) decrease in current deposits	(129,256)
Increase (decrease) in accounts payable	(325,896)
Increase (decrease) in accrued cost of electricity	95,998
Increase (decrease) in accrued liabilities	960,315
Increase (decrease) in user taxes and energy surcharges due to other governments	22,559
Net cash provided (used) by operating activities	<u>\$ 2,919,211</u>