



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 November 30, 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
December 28, 2017



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of November 30, 2017

ASSETS

Current assets	
Cash and cash equivalents	\$ 57,238,011
Accounts receivable, net of allowance	17,087,730
Other receivables	33,384
Accrued revenue	7,036,171
Prepaid expenses	199,028
Deposits	484,563
Total current assets	<u>82,078,887</u>
Noncurrent assets	
Capital assets, net of depreciation	221,638
Deposits	4,114,666
Total noncurrent assets	<u>4,336,304</u>
Total assets	<u>86,415,191</u>

LIABILITIES

Current liabilities	
Accounts payable	412,530
Accrued cost of electricity	12,094,352
Other accrued liabilities	604,664
User taxes and energy surcharges due to other governments	416,910
Total current liabilities	<u>13,528,456</u>
Noncurrent liabilities	
Supplier security deposits	<u>150,000</u>
Total liabilities	<u>13,678,456</u>

NET POSITION

Net investment in capital assets	221,638
Unrestricted	<u>72,515,097</u>
Total net position	<u>\$ 72,736,735</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2017 through November 30, 2017

OPERATING REVENUES

Electricity sales, net	\$ 79,468,275
Evergreen electricity premium	154,684
Electricity sales for resale	336,150
Total operating revenues	<u>79,959,109</u>

OPERATING EXPENSES

Cost of electricity	61,053,724
Staff compensation	1,168,253
Data manager	1,328,844
Service fees - PG&E	500,238
Consultants and other professional fees	611,082
Legal	106,977
Communications	704,088
General and administration	275,095
Program rebates and incentives	1,358,662
Depreciation	23,797
Total operating expenses	<u>67,130,760</u>
Operating income	<u>12,828,349</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	143,742
Charitable contributions	(140,000)
Total nonoperating revenues (expenses)	<u>3,742</u>

CHANGE IN NET POSITION

	12,832,091
Net position at beginning of period	<u>59,904,644</u>
Net position at end of period	<u>\$ 72,736,735</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2017 through November 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 79,800,614
Receipts from electricity sales for resale	487,077
Receipts from supplier security deposits	2,325,000
Tax and surcharge receipts from customers	1,051,689
Payments to purchase electricity	(60,814,133)
Payments for staff compensation	(1,234,122)
Payments for contract services	(2,465,528)
Payments for communications	(716,191)
Payments for general and administration	(461,149)
Payments for program rebates and incentives	(1,427,162)
Return of security deposits to suppliers	(4,650,000)
Tax and surcharge payments to other governments	(1,099,868)
Net cash provided (used) by operating activities	<u>10,796,227</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Deposits and collateral paid	(562,602)
Payments for charitable contributions	(140,000)
financing activities	<u>(702,602)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(63,238)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Return of certificate of deposit	7,028,428
Interest income received	143,742
Net cash provided (used) by investing activities	<u>7,172,170</u>

Net change in cash and cash equivalents	17,202,557
Cash and cash equivalents at beginning of year	40,035,454
Cash and cash equivalents at end of period	<u>\$ 57,238,011</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2017 through November 30, 2017

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

Operating income	\$ 12,828,349
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	23,797
Revenue reduced for uncollectible accounts	400,117
(Increase) decrease in net accounts receivable	(1,871,866)
(Increase) decrease in other receivables	150,793
(Increase) decrease in accrued revenue	1,657,309
(Increase) decrease in prepaid expenses	(152,237)
(Increase) decrease in current deposits	(45,607)
Increase (decrease) in accounts payable	(322,712)
Increase (decrease) in accrued cost of electricity	(700,456)
Increase (decrease) in accrued liabilities	1,209,824
Increase (decrease) in user taxes and energy surcharges due to other governments	(56,084)
Increase (decrease) in supplier security deposits	(2,325,000)
Net cash provided (used) by operating activities	<u>\$ 10,796,227</u>