



## 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 September 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  
October 27, 2017



# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION

As of September 30, 2017

### ASSETS

Current assets	
Cash and cash equivalents	\$ 53,078,308
Accounts receivable, net of allowance	19,279,385
Other receivables	40,850
Accrued revenue	8,776,350
Prepaid expenses	119,961
Deposits	369,461
Total current assets	<u>81,664,315</u>
Noncurrent assets	
Capital assets, net of depreciation	231,456
Deposits	3,714,666
Total noncurrent assets	<u>3,946,122</u>
Total assets	<u>85,610,437</u>

### LIABILITIES

Current liabilities	
Accounts payable	743,430
Accrued cost of electricity	13,986,161
Other accrued liabilities	272,219
User taxes and energy surcharges due to other governments	547,468
Total current liabilities	<u>15,549,278</u>
Noncurrent liabilities	
Supplier security deposits	<u>150,000</u>
Total liabilities	<u>15,699,278</u>

### NET POSITION

Net investment in capital assets	231,456
Unrestricted	69,679,703
Total net position	<u>\$ 69,911,159</u>

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

**OPERATING REVENUES**

Electricity sales, net	\$ 51,707,655
Evergreen electricity premium	87,454
Electricity sales for resale	180,400
Total operating revenues	<u>51,975,509</u>

**OPERATING EXPENSES**

Cost of electricity	38,697,410
Staff compensation	674,988
Data manager	798,525
Service fees - PG&E	299,853
Consultants and other professional fees	279,898
Legal	62,657
Communications	490,185
General and administration	152,558
Program rebates and incentives	587,732
Depreciation	13,979
Total operating expenses	<u>42,057,785</u>
Operating income	<u>9,917,724</u>

**NONOPERATING REVENUES (EXPENSES)**

Interest income	<u>88,791</u>
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**CHANGE IN NET POSITION**

Net position at beginning of period	<u>59,904,644</u>
Net position at end of period	<u><u>\$ 69,911,159</u></u>

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS July 1, 2017 through September 30, 2017

### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 48,066,115
Receipts from electricity sales for resale	323,727
Receipts from supplier security deposits	2,325,000
Tax and surcharge receipts from customers	659,206
Payments to purchase electricity	(36,568,826)
Payments for staff compensation	(768,293)
Payments for contract services	(1,399,327)
Payments for communications	(451,333)
Payments for general and administration	(241,651)
Payments for program rebates and incentives	(703,732)
Return of security deposits to suppliers	(4,650,000)
Tax and surcharge payments to other governments	(602,013)
Net cash provided (used) by operating activities	<u>5,988,873</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	88,791
Net cash provided (used) by investing activities	<u>7,117,219</u>

Net change in cash and cash equivalents	13,042,854
Cash and cash equivalents at beginning of year	<u>40,035,454</u>
Cash and cash equivalents at end of period	<u>\$ 53,078,308</u>

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

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

Operating income	\$ 9,917,724
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	13,979
Revenue reduced for uncollectible accounts	260,278
(Increase) decrease in net accounts receivable	(3,923,682)
(Increase) decrease in other receivables	143,327
(Increase) decrease in accrued revenue	(82,870)
(Increase) decrease in prepaid expenses	(73,170)
(Increase) decrease in current deposits	(93,107)
Increase (decrease) in accounts payable	8,188
Increase (decrease) in accrued cost of electricity	1,178,300
Increase (decrease) in accrued liabilities	890,432
Increase (decrease) in user taxes and energy surcharges due to other governments	74,474
Increase (decrease) in supplier security deposits	(2,325,000)
Net cash provided (used) by operating activities	<u>\$ 5,988,873</u>