



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, 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
November 28, 2017



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of October 31, 2017

ASSETS

Current assets	
Cash and cash equivalents	\$ 57,145,979
Accounts receivable, net of allowance	18,813,437
Other receivables	122,500
Accrued revenue	8,331,309
Prepaid expenses	96,299
Deposits	652,961
Total current assets	<u>85,162,485</u>
Noncurrent assets	
Capital assets, net of depreciation	226,448
Deposits	3,714,666
Total noncurrent assets	<u>3,941,114</u>
Total assets	<u>89,103,599</u>

LIABILITIES

Current liabilities	
Accounts payable	797,877
Accrued cost of electricity	14,745,472
Other accrued liabilities	305,142
User taxes and energy surcharges due to other governments	398,212
Total current liabilities	<u>16,246,703</u>
Noncurrent liabilities	
Supplier security deposits	<u>150,000</u>
Total liabilities	<u>16,396,703</u>

NET POSITION

Net investment in capital assets	226,448
Unrestricted	<u>72,480,448</u>
Total net position	<u>\$ 72,706,896</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2017 through October 31, 2017

OPERATING REVENUES

Electricity sales, net	\$ 67,646,991
Evergreen electricity premium	118,416
Electricity sales for resale	302,900
Total operating revenues	<u>68,068,307</u>

OPERATING EXPENSES

Cost of electricity	50,592,928
Staff compensation	924,788
Data manager	1,063,844
Service fees - PG&E	399,860
Consultants and other professional fees	417,311
Legal	85,613
Communications	614,319
General and administration	218,798
Program rebates and incentives	904,736
Depreciation	18,988
Total operating expenses	<u>55,241,185</u>
Operating income	<u>12,827,122</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	115,130
Charitable contributions	(140,000)
Total nonoperating revenues (expenses)	<u>(24,870)</u>

CHANGE IN NET POSITION

	12,802,252
Net position at beginning of period	<u>59,904,644</u>
Net position at end of period	<u>\$ 72,706,896</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2017 through October 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 64,928,159
Receipts from electricity sales for resale	364,577
Receipts from supplier security deposits	2,325,000
Tax and surcharge receipts from customers	872,158
Payments to purchase electricity	(47,702,875)
Payments for staff compensation	(998,756)
Payments for contract services	(1,871,193)
Payments for communications	(656,785)
Payments for general and administration	(290,867)
Payments for program rebates and incentives	(1,304,236)
Return of security deposits to suppliers	(4,650,000)
Tax and surcharge payments to other governments	(944,977)
Net cash provided (used) by operating activities	<u>10,070,205</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Payments for charitable contributions	<u>(40,000)</u>
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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	115,130
Net cash provided (used) by investing activities	<u>7,143,558</u>

Net change in cash and cash equivalents	17,110,525
Cash and cash equivalents at beginning of year	40,035,454
Cash and cash equivalents at end of period	<u>\$ 57,145,979</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2017 through October 31, 2017

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

Operating income	\$ 12,827,122
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	18,987
Revenue reduced for uncollectible accounts	340,531
(Increase) decrease in net accounts receivable	(3,537,987)
(Increase) decrease in other receivables	61,677
(Increase) decrease in accrued revenue	362,171
(Increase) decrease in prepaid expenses	(49,508)
(Increase) decrease in current deposits	(376,607)
Increase (decrease) in accounts payable	(37,365)
Increase (decrease) in accrued cost of electricity	1,908,368
Increase (decrease) in accrued liabilities	952,598
Increase (decrease) in user taxes and energy surcharges due to other governments	(74,782)
Increase (decrease) in supplier security deposits	(2,325,000)
Net cash provided (used) by operating activities	<u>\$ 10,070,205</u>