



## 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 January 31, 2018, 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  
February 27, 2018



# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION

As of January 31, 2018

### ASSETS

Current assets	
Cash and cash equivalents	\$ 58,569,881
Accounts receivable, net of allowance	16,614,265
Other receivables	15,000
Accrued revenue	7,904,796
Prepaid expenses	198,913
Deposits	759,563
Total current assets	<u>84,062,418</u>
Noncurrent assets	
Capital assets, net of depreciation	230,962
Deposits	4,114,666
Total noncurrent assets	<u>4,345,628</u>
Total assets	<u>88,408,046</u>

### LIABILITIES

Current liabilities	
Accounts payable	639,659
Accrued cost of electricity	12,163,156
Other accrued liabilities	338,265
User taxes and energy surcharges due to other governments	377,048
Total current liabilities	<u>13,518,128</u>
Noncurrent liabilities	
Supplier security deposits	<u>150,000</u>
Total liabilities	<u>13,668,128</u>

### NET POSITION

Net investment in capital assets	230,962
Unrestricted	<u>74,508,956</u>
Total net position	<u>\$ 74,739,918</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**July 1, 2017 through January 31, 2018**

**OPERATING REVENUES**

Electricity sales, net	\$ 106,095,575
Evergreen electricity premium	240,134
Electricity sales for resale	369,400
Liquidated damages	22,440
Total operating revenues	<u>106,727,549</u>

**OPERATING EXPENSES**

Cost of electricity	83,813,480
Staff compensation	1,695,289
Data manager	1,839,295
Service fees - PG&E	700,288
Consultants and other professional fees	963,407
Legal	139,057
Communications	842,539
General and administration	412,224
Program rebates and incentives	1,431,903
Depreciation	34,417
Total operating expenses	<u>91,871,899</u>
Operating income	<u>14,855,650</u>

**NONOPERATING REVENUES (EXPENSES)**

Interest income	269,624
Charitable contributions	(290,000)
Total nonoperating revenues (expenses)	<u>(20,376)</u>

**CHANGE IN NET POSITION**

	14,835,274
Net position at beginning of period	<u>59,904,644</u>
Net position at end of period	<u>\$ 74,739,918</u>

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS July 1, 2017 through January 31, 2018

### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 106,118,790
Receipts from electricity sales for resale	553,577
Receipts from liquidated damages	22,440
Receipts from supplier security deposits	2,325,000
Tax and surcharge receipts from customers	1,419,638
Payments to purchase electricity	(83,505,058)
Payments for staff compensation	(1,728,269)
Payments for contract services	(3,619,632)
Payments for communications	(868,081)
Payments for general and administration	(597,890)
Payments for program rebates and incentives	(1,775,403)
Return of security deposits to suppliers	(4,650,000)
Tax and surcharge payments to other governments	(1,508,265)
Net cash provided (used) by operating activities	<u>12,186,847</u>

### CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Deposits and collateral paid	(562,290)
Payments for charitable contributions	(290,000)
financing activities	<u>(852,290)</u>

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(83,182)</u>
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### CASH FLOWS FROM INVESTING ACTIVITIES

Return of certificate of deposit	7,028,428
Interest income received	254,624
Net cash provided (used) by investing activities	<u>7,283,052</u>

Net change in cash and cash equivalents	18,534,427
Cash and cash equivalents at beginning of year	40,035,454
Cash and cash equivalents at end of period	<u><u>\$ 58,569,881</u></u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF CASH FLOWS (continued)**  
**July 1, 2017 through January 31, 2018**

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

Operating income	\$ 14,855,650
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	34,417
Revenue reduced for uncollectible accounts	534,351
(Increase) decrease in net accounts receivable	(1,532,635)
(Increase) decrease in other receivables	184,177
(Increase) decrease in accrued revenue	788,684
(Increase) decrease in prepaid expenses	(152,122)
(Increase) decrease in current deposits	(320,919)
Increase (decrease) in accounts payable	(95,583)
Increase (decrease) in accrued cost of electricity	(241,491)
Increase (decrease) in accrued liabilities	553,264
Increase (decrease) in user taxes and energy surcharges due to other governments	(95,946)
Increase (decrease) in supplier security deposits	(2,325,000)
Net cash provided (used) by operating activities	<u>\$ 12,186,847</u>