



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, 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 23, 2018



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of September 30, 2018

ASSETS

Current assets	
Cash and cash equivalents	\$ 43,274,379
Investment in Sonoma County Pooled Investment Fund	15,175,272
Accounts receivable, net of allowance	20,016,493
Other receivables	413,936
Accrued revenue	9,009,691
Prepaid expenses	408,340
Deposits	689,365
Total current assets	<u>88,987,476</u>
Noncurrent assets	
Land	860,520
Capital assets, net of depreciation	2,603,734
Deposits	5,414,922
Total noncurrent assets	<u>8,879,176</u>
Total assets	<u>97,866,652</u>

LIABILITIES

Current liabilities	
Accounts payable	783,917
Accrued cost of electricity	11,460,618
Advanced from grantors	494,500
Other accrued liabilities	389,145
User taxes and energy surcharges due to other governments	530,360
Total current liabilities	<u>13,658,540</u>

NET POSITION

Investment in capital assets	3,464,254
Unrestricted	80,743,858
Total net position	<u>\$ 84,208,112</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2018 through September 30, 2018

OPERATING REVENUES

Electricity sales, net	\$ 49,540,970
Evergreen electricity premium	103,380
Electricity sales for resale	28,000
Grant revenue	268,936
Total operating revenues	<u>49,941,286</u>

OPERATING EXPENSES

Cost of electricity	39,152,811
Staff compensation	804,194
Data manager	787,343
Service fees - PG&E	236,299
Consultants and other professional fees	511,015
Legal	88,255
Communications	485,149
General and administration	226,899
Program rebates and incentives	377,874
Depreciation	15,041
Total operating expenses	<u>42,684,880</u>
Operating income	<u>7,256,406</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>190,579</u>
-----------------	----------------

CHANGE IN NET POSITION

	7,446,985
Net position at beginning of period	<u>76,761,127</u>
Net position at end of period	<u>\$ 84,208,112</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2018 through September 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 48,071,846
Receipts from electricity sales for resale	59,013
Tax and surcharge receipts from customers	623,947
Payments to purchase electricity	(40,966,699)
Payments for staff compensation	(852,743)
Payments for data manager	(787,529)
Payments for service fees - PG&E	(236,072)
Payments for consultants and other professional fees	(507,440)
Payments for legal services	(125,202)
Payments for communications	(659,899)
Payments for general and administration	(244,238)
Payments for program rebates and incentives	(501,024)
Tax and surcharge payments to other governments	(586,589)
Deposits and collateral paid	(1,300,000)
Payments for charitable contributions	(108,000)
Net cash provided (used) by operating activities	<u>1,879,371</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(69,350)</u>
-------------------------------	-----------------

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>191,812</u>
Net cash provided (used) by investing activities	<u>191,812</u>

Net change in cash and cash equivalents (including County Pooled Investment Fund)	2,001,833
Cash and cash equivalents at beginning of year	<u>56,447,818</u>
Cash and cash equivalents at end of year	<u>\$ 58,449,651</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents	\$ 43,274,379
Investment in Sonoma County Pooled Investment Fund	<u>15,175,272</u>
Cash and cash equivalents	<u>\$ 58,449,651</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2018 through September 30, 2018

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

Operating income	\$ 7,256,406
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	15,041
Revenue reduced for uncollectible accounts	249,470
Charitable contributions considered an operating activity for cash flow purposes only	(108,000)
(Increase) decrease in net accounts receivable	(2,401,815)
(Increase) decrease in other receivables	(232,423)
(Increase) decrease in accrued revenue	563,331
(Increase) decrease in prepaid expenses	122,191
(Increase) decrease in current deposits	(1,445,256)
Increase (decrease) in accounts payable	(258,819)
Increase (decrease) in accrued cost of electricity	(3,161,409)
Increase (decrease) in advance from grantors	(5,500)
Increase (decrease) in accrued liabilities	1,232,286
Increase (decrease) in user taxes and energy surcharges due to other governments	53,868
Net cash provided (used) by operating activities	<u>\$ 1,879,371</u>