



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, 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
January 4, 2019



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of November 30, 2018

ASSETS

Current assets	
Cash and cash equivalents	\$ 50,919,418
Investment in Sonoma County Investment Pool	15,243,019
Accounts receivable, net of allowance	17,692,891
Other receivables	521,531
Accrued revenue	6,838,161
Prepaid expenses	1,387,460
Deposits	748,989
Total current assets	<u>93,351,469</u>
Noncurrent assets	
Land	860,520
Capital assets, net of depreciation	2,730,602
Deposits	5,459,242
Total noncurrent assets	<u>9,050,364</u>
Total assets	<u>102,401,833</u>

LIABILITIES

Current liabilities	
Accounts payable	767,177
Accrued cost of electricity	13,056,389
Advanced from grantors	491,750
Other accrued liabilities	377,312
User taxes and energy surcharges due to other governments	448,563
Total current liabilities	<u>15,141,191</u>

NET POSITION

Investment in capital assets	3,591,122
Unrestricted	83,669,520
Total net position	<u>\$ 87,260,642</u>

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

OPERATING REVENUES

Electricity sales, net	\$ 78,964,659
Evergreen electricity premium	176,687
Grant revenue	489,072
Total operating revenues	<u>79,630,418</u>

OPERATING EXPENSES

Cost of electricity	63,154,885
Staff compensation	1,335,933
Data manager	1,313,463
Service fees - PG&E	394,272
Consultants and other professional fees	997,222
Legal	157,533
Communications	712,781
General and administration	364,444
Program rebates and incentives	1,042,951
Depreciation	24,995
Total operating expenses	<u>69,498,479</u>
Operating income	<u>10,131,939</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>367,576</u>
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CHANGE IN NET POSITION

Net position at beginning of period	<u>76,761,127</u>
Net position at end of period	<u><u>\$ 87,260,642</u></u>

SONOMA CLEAN POWER AUTHORITY

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

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 82,048,663
Receipts from grantors	11,891
Receipts from supplier for security deposits	14,600
Tax and surcharge receipts from customers	1,044,380
Payments to purchase electricity	(64,035,788)
Payments for staff compensation	(1,388,241)
Payments for contract services	(2,827,605)
Payments for communications	(958,740)
Payments for general and administration	(416,749)
Payments for program rebates and incentives	(1,339,411)
Tax and surcharge payments to other governments	(1,073,508)
Deposits and collateral paid	(1,408,034)
Payments for charitable contributions	(108,000)
Net cash provided (used) by operating activities	<u>9,563,458</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(237,648)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>388,809</u>
Net cash provided (used) by investing activities	<u>388,809</u>

Net change in cash and cash equivalents (including County Investment Pool)	9,714,619
Cash and cash equivalents at beginning of year	<u>56,447,818</u>
Cash and cash equivalents at end of year	<u>\$ 66,162,437</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents	\$ 50,919,418
Investment in Sonoma County Investment Pool	<u>15,243,019</u>
Cash and cash equivalents	<u>\$ 66,162,437</u>

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

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

Operating income	\$ 10,131,939
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	24,995
Revenue reduced for uncollectible accounts	397,696
Charitable contributions considered an operating activity for cash flow purposes only	(108,000)
(Increase) decrease in net accounts receivable	(226,439)
(Increase) decrease in other receivables	(360,018)
(Increase) decrease in accrued revenue	2,734,861
(Increase) decrease in prepaid expenses	(856,929)
(Increase) decrease in current deposits	(1,549,200)
Increase (decrease) in accounts payable	(244,083)
Increase (decrease) in accrued cost of electricity	(1,597,250)
Increase (decrease) in advance from grantors	(8,250)
Increase (decrease) in accrued liabilities	1,237,465
Increase (decrease) in user taxes and energy surcharges due to other governments	(27,929)
Increase (decrease) in supplier security deposits	14,600
Net cash provided (used) by operating activities	<u>\$ 9,563,458</u>