



## 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 February 28, 2019, 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 note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Sonoma Clean Power Authority's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these 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  
March 27, 2019



# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION

As of February 28, 2019

### ASSETS

Current assets	
Cash and cash equivalents	\$ 52,592,498
Investment in Sonoma County Investment Pool	15,318,831
Accounts receivable, net of allowance	16,348,000
Other receivables	838,920
Accrued revenue	7,532,627
Prepaid expenses	1,941,522
Deposits	182,079
Total current assets	<u>94,754,477</u>
Noncurrent assets	
Land	860,520
Capital assets, net of depreciation	3,099,199
Deposits	5,459,242
Total noncurrent assets	<u>9,418,961</u>
Total assets	<u>104,173,438</u>

### LIABILITIES

Current liabilities	
Accounts payable	1,204,646
Accrued cost of electricity	14,096,835
Advanced from grantors	458,625
Other accrued liabilities	659,362
User taxes and energy surcharges due to other governments	465,223
Total current liabilities	<u>16,884,691</u>

### NET POSITION

Investment in capital assets	3,959,719
Unrestricted	83,329,028
Total net position	<u>\$ 87,288,747</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**July 1, 2018 through February 28, 2019**

**OPERATING REVENUES**

Electricity sales, net	\$ 118,106,314
Evergreen electricity premium	304,202
Grant revenue	1,089,913
Total operating revenues	<u>119,500,429</u>

**OPERATING EXPENSES**

Cost of electricity	99,528,812
Staff compensation	2,191,073
Data manager	2,101,726
Service fees - PG&E	631,089
Consultants and other professional fees	1,963,173
Legal	286,302
Communications	882,531
General and administration	573,940
Program rebates and incentives	1,448,837
Depreciation	39,797
Total operating expenses	<u>109,647,280</u>
Operating income	<u>9,853,149</u>

**NONOPERATING REVENUES (EXPENSES)**

Interest income	673,968
Gain on sale of equipment	503
Total nonoperating revenues (expenses)	<u>674,471</u>

**CHANGE IN NET POSITION**

	10,527,620
Net position at beginning of period	<u>76,761,127</u>
Net position at end of period	<u>\$ 87,288,747</u>

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS July 1, 2018 through February 28, 2019

### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 121,965,994
Receipts from grantors	367,624
Receipts from supplier for security deposits	14,600
Tax and surcharge receipts from customers	1,618,493
Deposits and collateral returned	372,500
Payments to purchase electricity	(99,950,316)
Payments for staff compensation	(2,210,895)
Payments for contract services	(4,462,699)
Payments for communications	(1,150,673)
Payments for general and administration	(628,539)
Payments for program rebates and incentives	(1,510,987)
Tax and surcharge payments to other governments	(1,628,697)
Deposits and collateral paid	(1,408,034)
Payments for charitable contributions	(108,000)
Net cash provided (used) by operating activities	<u>11,280,371</u>

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(512,061)</u>
Net cash provided (used) by capital and financing activities	(512,061)

### CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>695,201</u>
Net cash provided (used) by investing activities	<u>695,201</u>

Net change in cash and cash equivalents (including County Investment Pool)	11,463,511
Cash and cash equivalents at beginning of year	<u>56,447,818</u>
Cash and cash equivalents at end of year	<u>\$ 67,911,329</u>

### Reconciliation to the Statement of Net Position

Cash and cash equivalents	\$ 52,592,498
Investment in Sonoma County Investment Pool	<u>15,318,831</u>
Cash and cash equivalents	<u>\$ 67,911,329</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF CASH FLOWS (continued)**  
**July 1, 2018 through February 28, 2019**

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

Operating income	\$ 9,853,149
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	38,153
Revenue reduced for uncollectible accounts	595,029
Charitable contributions considered an operating activity for cash flow purposes only	(108,000)
(Increase) decrease in net accounts receivable	921,119
(Increase) decrease in other receivables	(677,407)
(Increase) decrease in accrued revenue	2,040,395
(Increase) decrease in prepaid expenses	(1,410,991)
(Increase) decrease in current deposits	(982,290)
Increase (decrease) in accounts payable	86,547
Increase (decrease) in accrued cost of electricity	187,504
Increase (decrease) in advance from grantors	(41,375)
Increase (decrease) in accrued liabilities	775,207
Increase (decrease) in user taxes and energy surcharges due to other governments	(11,269)
Increase (decrease) in supplier security deposits	14,600
Net cash provided (used) by operating activities	<u>\$ 11,280,371</u>