



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 May 31, 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
July 1, 2019



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of May 31, 2019

ASSETS

Current assets	
Cash and cash equivalents	\$ 41,593,859
Investment in Sonoma County Investment Pool	15,402,798
Accounts receivable, net of allowance	16,280,931
Other receivables	754,773
Accrued revenue	8,336,325
Prepaid expenses	2,084,074
Deposits	202,079
Investments	10,185,279
Total current assets	<u>94,840,118</u>
Noncurrent assets	
Land	860,520
Capital assets, net of depreciation	3,691,744
Deposits	5,459,242
Total noncurrent assets	<u>10,011,506</u>
Total assets	<u>104,851,624</u>

LIABILITIES

Current liabilities	
Accounts payable	1,032,519
Accrued cost of electricity	11,532,188
Advanced from grantors	453,250
Other accrued liabilities	503,336
User taxes and energy surcharges due to other governments	421,732
Total current liabilities	<u>13,943,025</u>

NET POSITION

Investment in capital assets	4,552,264
Unrestricted	86,356,335
Total net position	<u>\$ 90,908,599</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2018 through May 31, 2019

OPERATING REVENUES

Electricity sales, net	\$ 156,394,076
Evergreen electricity premium	423,033
Grant revenue	1,398,224
Total operating revenues	<u>158,215,333</u>

OPERATING EXPENSES

Cost of electricity	131,610,466
Staff compensation	3,071,536
Data manager	2,893,484
Service fees - PG&E	869,260
Consultants and other professional fees	2,547,487
Legal	519,012
Communications	1,109,147
General and administration	807,333
Program rebates and incentives	1,578,502
Depreciation	54,676
Total operating expenses	<u>145,060,903</u>
Operating income	<u>13,154,430</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	992,539
Gain on sale of equipment	503
Total nonoperating revenues (expenses)	<u>993,042</u>

CHANGE IN NET POSITION

	14,147,472
Net position at beginning of period	<u>76,761,127</u>
Net position at end of period	<u>\$ 90,908,599</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2018 through May 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 159,628,507
Receipts from grantors	789,851
Receipts from supplier for security deposits	35,600
Tax and surcharge receipts from customers	2,285,817
Deposits and collateral returned	372,500
Payments to purchase electricity	(134,821,805)
Payments for staff compensation	(3,069,648)
Payments for contract services	(6,663,669)
Payments for communications	(1,394,036)
Payments for general and administration	(861,647)
Payments for program rebates and incentives	(1,582,302)
Tax and surcharge payments to other governments	(2,332,060)
Deposits and collateral paid	(1,408,290)
Payments for charitable contributions	(108,000)
Net cash provided (used) by operating activities	<u>10,870,818</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(1,145,472)</u>
Net cash provided (used) by capital and financing activities	(1,145,472)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of certificate of deposit	(10,185,279)
Interest income received	<u>1,008,772</u>
Net cash provided (used) by investing activities	<u>(9,176,507)</u>

Net change in cash and cash equivalents (including County Investment Pool)	548,839
Cash and cash equivalents at beginning of year	<u>56,447,818</u>
Cash and cash equivalents at end of year	<u>\$ 56,996,657</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents	\$ 41,593,859
Investment in Sonoma County Investment Pool	<u>15,402,798</u>
Cash and cash equivalents	<u>\$ 56,996,657</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2018 through May 31, 2019

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

Operating income	\$ 13,154,430
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	53,031
Revenue reduced for uncollectible accounts	788,027
Charitable contributions considered an operating activity for cash flow purposes only	(108,000)
(Increase) decrease in net accounts receivable	795,190
(Increase) decrease in other receivables	(588,260)
(Increase) decrease in accrued revenue	1,236,697
(Increase) decrease in prepaid expenses	(1,553,543)
(Increase) decrease in current deposits	(1,002,290)
Increase (decrease) in accounts payable	(59,592)
Increase (decrease) in accrued cost of electricity	(1,251,676)
Increase (decrease) in advance from grantors	(46,750)
Increase (decrease) in accrued liabilities	(527,286)
Increase (decrease) in user taxes and energy surcharges due to other governments	(54,760)
Increase (decrease) in supplier security deposits	35,600
Net cash provided (used) by operating activities	<u>\$ 10,870,818</u>