



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 June 30, 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
September 3, 2019



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of June 30, 2019

ASSETS

Current assets	
Cash and cash equivalents	\$ 42,187,641
Investment in Sonoma County Investment Pool	15,402,798
Accounts receivable, net of allowance	17,248,908
Other receivables	1,136,168
Accrued revenue	10,409,152
Prepaid expenses	1,617,136
Deposits	332,079
Investments	10,208,015
Total current assets	<u>98,541,897</u>
Noncurrent assets	
Land	860,520
Capital assets, net of depreciation	4,118,138
Deposits	5,459,242
Total noncurrent assets	<u>10,437,900</u>
Total assets	<u>108,979,797</u>

LIABILITIES

Current liabilities	
Accounts payable	1,799,787
Accrued cost of electricity	13,687,997
Advanced from grantors	444,625
Other accrued liabilities	630,499
User taxes and energy surcharges due to other governments	498,332
Total current liabilities	<u>17,061,240</u>

NET POSITION

Investment in capital assets	4,978,658
Unrestricted	86,939,899
Total net position	<u>\$ 91,918,557</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2018 through June 30, 2019

OPERATING REVENUES

Electricity sales, net	\$ 172,215,645
Evergreen electricity premium	455,454
Grant revenue	1,658,635
Total operating revenues	<u>174,329,734</u>

OPERATING EXPENSES

Cost of electricity	145,314,794
Staff compensation	3,536,210
Data manager	3,158,651
Service fees - PG&E	953,613
Consultants and other professional fees	2,892,866
Legal	624,674
Communications	1,204,014
General and administration	874,455
Program rebates and incentives	1,658,031
Depreciation	59,857
Total operating expenses	<u>160,277,165</u>
Operating income	<u>14,052,569</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	1,104,358
Gain on sale of equipment	503
Total nonoperating revenues (expenses)	<u>1,104,861</u>

CHANGE IN NET POSITION

	15,157,430
Net position at beginning of period	<u>76,761,127</u>
Net position at end of period	<u>\$ 91,918,557</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2018 through June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 172,466,526
Receipts from grantors	821,538
Receipts from supplier for security deposits	35,600
Tax and surcharge receipts from customers	2,337,583
Deposits and collateral returned	372,500
Payments to purchase electricity	(146,139,613)
Payments for staff compensation	(3,379,303)
Payments for contract services	(6,951,432)
Payments for communications	(1,472,619)
Payments for general and administration	(805,700)
Payments for program rebates and incentives	(1,758,431)
Return of security deposits to suppliers	(21,000)
Tax and surcharge payments to other governments	(2,332,060)
Deposits and collateral paid	(1,538,290)
Payments for charitable contributions	(108,000)
Net cash provided (used) by operating activities	<u>11,527,299</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	(1,255,978)
Net cash provided (used) by capital and financing activities	<u>(1,255,978)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	1,079,315
Purchase of certificate of deposit	(10,208,015)
Net cash provided (used) by investing activities	<u>(9,128,700)</u>

Net change in cash and cash equivalents (including County Investment Pool)	1,142,621
Cash and cash equivalents at beginning of year	<u>56,447,818</u>
Cash and cash equivalents at end of year	<u>\$ 57,590,439</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents	\$ 42,187,641
Investment in Sonoma County Investment Pool	<u>15,402,798</u>
Cash and cash equivalents	<u>\$ 57,590,439</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2018 through June 30, 2019

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

Operating income	\$ 14,052,569
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	48,238
Revenue reduced for uncollectible accounts	(1,096,511)
Charitable contributions considered an operating activity for cash flow purposes only	(108,000)
(Increase) decrease in net accounts receivable	1,711,751
(Increase) decrease in other receivables	(928,379)
(Increase) decrease in accrued revenue	(836,130)
(Increase) decrease in prepaid expenses	(1,086,605)
(Increase) decrease in current deposits	(1,132,290)
Increase (decrease) in accounts payable	396,581
Increase (decrease) in accrued cost of electricity	428,061
Increase (decrease) in advance from grantors	(55,375)
Increase (decrease) in accrued liabilities	96,949
Increase (decrease) in user taxes and energy surcharges due to other governments	21,840
Increase (decrease) in supplier security deposits	14,600
Net cash provided (used) by operating activities	<u>\$ 11,527,299</u>