



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 October 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
December 12, 2019

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of October 31, 2019

ASSETS

Current assets	
Cash and cash equivalents	\$ 62,376,812
Accounts receivable, net of allowance	18,875,623
Other receivables	779,734
Accrued revenue	8,237,284
Prepaid expenses	1,045,075
Deposits	358,350
Investments	20,030,480
Total current assets	<u>111,703,358</u>
Noncurrent assets	
Land and construction in progress	5,077,103
Capital assets, net of depreciation	170,627
Deposits	5,459,242
Total noncurrent assets	<u>10,706,972</u>
Total assets	<u>122,410,330</u>

LIABILITIES

Current liabilities	
Accounts payable	1,150,205
Accrued cost of electricity	13,291,820
Advanced from grantors	402,500
Other accrued liabilities	634,108
User taxes and energy surcharges due to other governments	483,390
Total current liabilities	<u>15,962,023</u>

NET POSITION

Investment in capital assets	5,247,730
Unrestricted	101,200,577
Total net position	<u>\$ 106,448,307</u>

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

OPERATING REVENUES

Electricity sales, net	\$ 69,768,966
Evergreen electricity premium	161,840
Grant revenue	411,314
Total operating revenues	<u>70,342,120</u>

OPERATING EXPENSES

Cost of electricity	51,452,737
Staff compensation	1,316,149
Data manager	1,060,890
Service fees - PG&E	320,034
Consultants and other professional fees	654,377
Legal	299,000
Communications	426,820
General and administration	345,216
Program rebates and incentives	355,075
Depreciation	21,674
Total operating expenses	<u>56,251,972</u>
Operating income	<u>14,090,148</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>439,602</u>
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CHANGE IN NET POSITION

Net position at beginning of period	<u>91,918,557</u>
Net position at end of period	<u><u>\$ 106,448,307</u></u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2019 through October 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 70,485,326
Receipts from grantors	402,734
Tax and surcharge receipts from customers	920,925
Payments to purchase electricity	(51,023,416)
Payments for staff compensation	(1,399,077)
Payments for contract services	(2,468,116)
Payments for communications	(469,226)
Payments for general and administration	(369,979)
Payments for program rebates and incentives	(301,171)
Return of security deposits to suppliers	(14,600)
Tax and surcharge payments to other governments	(945,235)
Net cash provided (used) by operating activities	<u>14,818,165</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(705,205)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	399,176
Proceeds from certificates of deposit matured	10,274,237
Purchase of certificates of deposit	(20,000,000)
Net cash provided (used) by investing activities	<u>(9,326,587)</u>

Net change in cash and cash equivalents (including County Investment Pool)	4,786,373
Cash and cash equivalents at beginning of year	<u>57,590,439</u>
Cash and cash equivalents at end of year	<u>\$ 62,376,812</u>

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

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

Operating income	\$ 14,090,148
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	21,674
Revenue reduced for uncollectible accounts	535,546
(Increase) decrease in net accounts receivable	(2,162,259)
(Increase) decrease in other receivables	300,157
(Increase) decrease in accrued revenue	2,171,867
(Increase) decrease in prepaid expenses	572,061
(Increase) decrease in current deposits	(26,271)
Increase (decrease) in accounts payable	(235,123)
Increase (decrease) in accrued cost of electricity	(2,142,647)
Increase (decrease) in advance from grantors	(42,125)
Increase (decrease) in accrued liabilities	1,764,679
Increase (decrease) in user taxes and energy surcharges due to other governments	(14,942)
Increase (decrease) in supplier security deposits	(14,600)
Net cash provided (used) by operating activities	<u>\$ 14,818,165</u>