



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 September 30, 2020, 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.

Mahe Accountancy

San Rafael, CA
October 29, 2020

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of September 30, 2020

ASSETS

Current assets	
Cash and cash equivalents	\$ 58,762,800
Accounts receivable, net of allowance	25,229,602
Other receivables	3,999,853
Accrued revenue	11,127,346
Prepaid expenses	1,200,854
Deposits	367,079
Investments	7,500,000
Total current assets	<u>108,187,534</u>
Noncurrent assets	
Unrestricted cash in Rate Stabilization Fund	22,000,000
Land and construction-in-progress	10,475,287
Capital assets, net of depreciation	216,142
Deposits	5,430,922
Total noncurrent assets	<u>38,122,351</u>
Total assets	<u>146,309,885</u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	19,772,470
Accounts payable	2,307,402
Advanced from grantors	154,875
Other accrued liabilities	890,610
User taxes and energy surcharges due to other governments	658,484
Total current liabilities	<u>23,783,841</u>

DEFERRED INFLOWS OF RESOURCES

Rate Stabilization Fund	22,000,000
-------------------------	------------

NET POSITION

Investment in capital assets	10,691,429
Unrestricted	89,834,615
Total net position	<u><u>\$ 100,526,044</u></u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2020 through September 30, 2020

OPERATING REVENUES

Electricity sales, net	\$ 60,248,725
Evergreen electricity premium	283,159
Grant revenue	404,137
Total operating revenues	<u>60,936,021</u>

OPERATING EXPENSES

Cost of electricity	52,025,764
Contract services	2,120,843
Staff compensation	1,148,719
General and administration	301,918
Program rebates and incentives	101,275
Depreciation	18,914
Total operating expenses	<u>55,717,433</u>
Operating income	<u>5,218,588</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	316,053
Other nonoperating revenue	7,009
Total nonoperating revenues (expenses)	<u>323,062</u>

CHANGE IN NET POSITION

	5,541,650
Net position at beginning of period	<u>94,984,394</u>
Net position at end of period	<u>\$ 100,526,044</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS

July 1, 2020 through September 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 56,772,294
Other operating receipts	428,320
Payments to electricity suppliers	(47,428,400)
Payments for other goods and services	(2,269,887)
Payments for staff compensation	(1,173,466)
Tax and surcharge payments to other governments	(658,603)
Payments for program rebates and incentives	<u>(583,362)</u>
Net cash provided (used) by operating activities	<u>5,086,896</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(2,420,174)</u>
------------------------------------	--------------------

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	213,919
Proceeds from certificates of deposit matured	<u>12,791,718</u>
Net cash provided (used) by investing activities	<u>13,005,637</u>

Net change in cash and cash equivalents	15,672,359
Cash and cash equivalents at beginning of year	<u>65,090,441</u>
Cash and cash equivalents at end of year	<u>\$ 80,762,800</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (current)	\$ 58,762,800
Cash and cash equivalents (noncurrent)	<u>22,000,000</u>
Cash and cash equivalents	<u>\$ 80,762,800</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2020 through September 30, 2020

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

Operating income	\$ 5,218,588
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	18,914
Revenue adjusted for allowance for uncollectible accounts	766,223
(Increase) decrease in:	
Accounts receivable	(4,341,875)
Other receivables	(1,079,296)
Accrued revenue	(931,888)
Prepaid expenses	(122,607)
Deposits	418,320
Increase (decrease) in:	
Accrued cost of electricity	2,790,443
Accounts payable	647,420
Advance from grantors	(34,000)
Accrued liabilities	1,647,311
User taxes due to other governments	89,343
Net cash provided (used) by operating activities	<u>\$ 5,086,896</u>