



ACCOUNTANTS' COMPILATION REPORT

Management

Sonoma Clean Power Authority

Management is responsible for the accompanying financial statements of Sonoma Clean Power (a California Joint Powers Authority) which comprise the statement of net position as of May 31, 2018, 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 disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, the 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

June 28 2018



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of May 31, 2018

ASSETS

Current assets	
Cash and cash equivalents	\$ 45,307,066
Investment in Sonoma County Pooled Investment Fund	15,114,038
Accounts receivable, net of allowance	15,902,781
Other receivables	115,900
Accrued revenue	9,019,423
Prepaid expenses	117,343
Deposits	589,865
Total current assets	<u>86,166,416</u>
Noncurrent assets	
Capital assets, net of depreciation	212,582
Deposits	4,114,666
Total noncurrent assets	<u>4,327,248</u>
Total assets	<u>90,493,664</u>

LIABILITIES

Current liabilities	
Accounts payable	1,086,339
Accrued cost of electricity	13,153,721
Advance from grantors	500,000
Other accrued liabilities	344,321
User taxes and energy surcharges due to other governments	402,938
Total current liabilities	<u>15,487,319</u>
Noncurrent liabilities	
Supplier security deposits	<u>150,000</u>
Total liabilities	<u>15,637,319</u>

NET POSITION

Net investment in capital assets	212,582
Unrestricted	<u>74,643,763</u>
Total net position	<u>\$ 74,856,345</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2017 through May 31, 2018

OPERATING REVENUES

Electricity sales, net	\$ 155,373,854
Evergreen electricity premium	397,610
Electricity sales for resale	531,950
Liquidated damages	22,440
Total operating revenues	<u>156,325,854</u>

OPERATING EXPENSES

Cost of electricity	129,037,387
Staff compensation	2,709,817
Data manager	2,875,916
Service fees - PG&E	1,034,484
Consultants and other professional fees	1,647,752
Legal	248,497
Communications	1,177,313
General and administration	725,119
Program rebates and incentives	1,718,403
Depreciation	55,083
Total operating expenses	<u>141,229,771</u>
Operating income	<u>15,096,083</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	492,618
Charitable contributions	(637,000)
Total nonoperating revenues (expenses)	<u>(144,382)</u>

CHANGE IN NET POSITION

	14,951,701
Net position at beginning of period	<u>59,904,644</u>
Net position at end of period	<u>\$ 74,856,345</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2017 through May 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 155,146,309
Receipts from electricity sales for resale	630,227
Receipts from grantors	500,000
Receipts from supplier for security deposits	2,325,000
Tax and surcharge receipts from customers	2,118,093
Payments to purchase electricity	(127,373,788)
Payments for staff compensation	(2,737,361)
Payments for data manager	(2,616,088)
Payments for service fees - PG&E	(956,281)
Payments for consultants and other professional fees	(1,931,040)
Payments for legal services	(254,340)
Payments for communications	(1,190,456)
Payments for general and administration	(778,196)
Payments for program rebates and incentives	(1,818,403)
Return of security deposits to suppliers	(4,650,000)
Tax and surcharge payments to other governments	(2,175,737)
Deposits and collateral paid	(620,867)
Payments for charitable contributions	(637,000)
Net cash provided (used) by operating activities	<u>12,980,072</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(85,468)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from certificate of deposit	7,028,428
Interest income received	462,618
Net cash provided (used) by investing activities	<u>7,491,046</u>

Net change in cash and cash equivalents (including County Pooled Investment Fund)	20,385,650
Cash and cash equivalents at beginning of year	40,035,454
Cash and cash equivalents at end of year	<u>\$ 60,421,104</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents	\$ 45,307,066
Investment in Sonoma County Pooled Investment Fund	15,114,038
Cash and cash equivalents	<u>\$ 60,421,104</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2017 through May 31, 2018

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

Operating income	\$ 15,096,083
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	55,083
Revenue reduced for uncollectible accounts	782,769
Charitable contributions considered an operating activity for cash flow purposes only	(637,000)
(Increase) decrease in net accounts receivable	(1,069,569)
(Increase) decrease in other receivables	98,277
(Increase) decrease in accrued revenue	(325,943)
(Increase) decrease in prepaid expenses	(70,552)
(Increase) decrease in current deposits	(713,511)
Increase (decrease) in accounts payable	351,097
Increase (decrease) in accrued cost of electricity	1,388,934
Increase (decrease) in advance from grantors	500,000
Increase (decrease) in accrued liabilities	(80,540)
Increase (decrease) in user taxes and energy surcharges due to other governments	(70,056)
Increase (decrease) in supplier security deposits	(2,325,000)
Net cash provided (used) by operating activities	<u>\$ 12,980,072</u>