



ACCOUNTANTS' COMPILATION REPORT

Management
Sonoma Clean Power Authority

We have compiled the accompanying statement of net position of Sonoma Clean Power Authority (a California Joint Powers Authority) as of November 30, 2014, and the statement of revenues, expenses, and changes in net position, and the statement cash flows for the period then ended. We have not audited or reviewed the accompanying statements and, accordingly, do not express an opinion or provide any assurance about whether the statement of net position, the statement of revenues, expenses, and changes in net position, and the statement of cash flows are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of a statement of net position and statement of revenues, expenses, and changes in fund net position without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the 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 Company'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.

Certain accounting functions provided by Maher Accountancy are considered management functions by the American Institute of Certified Public Accountants. Accordingly, we are not independent with respect to Sonoma Clean Power Authority.

Maher Accountancy

December 31, 2014



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of November 30, 2014

ASSETS

Current assets	
Cash and cash equivalents	\$ 14,794,634
Accounts receivable, net of allowance	5,174,423
Accrued revenue	2,203,959
Prepaid expenses	295,804
Total current assets	<u>22,468,820</u>
Noncurrent assets	
Capital assets, net of depreciation	64,018
Deposits	305,300
Total noncurrent assets	<u>369,318</u>
Total assets	<u>22,838,138</u>

LIABILITIES

Current liabilities	
Accounts payable	133,398
Accrued cost of electricity	7,332,400
Other accrued liabilities	564,758
User taxes and energy surcharges due to other governments	187,798
Note payable to bank	609,303
Loan payable to Sonoma County Water Agency	182,173
Total current liabilities	<u>9,009,830</u>
Noncurrent liabilities	
Note payable to bank	3,300,799
Loan payable to Sonoma County Water Agency	1,535,639
Total noncurrent liabilities	<u>4,836,438</u>
Total liabilities	<u>13,846,268</u>

NET POSITION

Net investment in capital assets	64,018
Unrestricted	8,927,852
Total net position	<u>\$ 8,991,870</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2014 through November 30, 2014

OPERATING REVENUES

Electricity sales	\$ 30,195,796
Evergreen electricity premium	39,178
Total operating revenues	<u>30,234,974</u>

OPERATING EXPENSES

Cost of electricity	19,548,951
Data manager	194,118
Service fees - PG&E	48,427
Staff compensation	522,352
Consultants	224,788
Legal	40,714
Communications	372,139
General and administration	77,131
Total operating expenses	<u>21,028,620</u>
Operating income	<u>9,206,354</u>

NONOPERATING REVENUES (EXPENSES)

Interest expense	<u>(113,194)</u>
------------------	------------------

CHANGES IN NET POSITION

	9,093,160
Net position at beginning of period	<u>(101,290)</u>
Net position at end of period	<u><u>\$ 8,991,870</u></u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS

July 1, 2014 through November 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 32,442,071
Cash payments to purchase electricity	(17,995,736)
Cash payments for staff compensation	(487,565)
Cash payments for contract services	(996,776)
Cash payments for general and administration	(348,017)
Net cash provided by (used in) operating activities	<u>12,613,977</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Loan proceeds from bank lines of credit	(947,319)
Deposits	499,700
Interest expense payments	(94,862)
Net cash provided (used) by non-capital financing activities	<u>(542,481)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(6,547)</u>
-------------------------------	----------------

Net increase in cash and cash equivalents	12,064,949
Cash and cash equivalents at beginning of year	<u>2,729,685</u>
Cash and cash equivalents at end of year	<u>\$ 14,794,634</u>

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income	\$ 9,206,354
Adjustments to reconcile operating income to net cash provided by (used in) operating activities	
Depreciation expense	5,944
Increase (decrease) in electricity procurement payments made directly from bank line of credit	280,172
(Increase) decrease in net accounts receivable	216,790
(Increase) decrease in accrued revenue	1,641,278
(Increase) decrease in prepaid expenses	(286,850)
Increase (decrease) in accounts payable	(59,877)
Increase (decrease) in accrued cost of electricity	1,273,043
Increase (decrease) in accrued liabilities	337,123
Net cash provided by (used in) operating activities	<u>\$ 12,613,977</u>

NONCASH FINANCING ACTIVITIES

During the year, electricity procurement payments of \$280,172 were made directly from a bank line of credit.