



## 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 April 30, 2015, 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*

May 28, 2015



# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION

As of April 30, 2015

### ASSETS

Current assets	
Cash and cash equivalents	\$ 14,980,642
Accounts receivable, net of allowance	8,804,216
Accrued revenue	5,205,546
Prepaid expenses	568,180
Total current assets	<u>29,558,584</u>
Noncurrent assets	
Capital assets, net of depreciation	140,880
Deposits	340,266
Total noncurrent assets	<u>481,146</u>
Total assets	<u>30,039,730</u>

### LIABILITIES

Current liabilities	
Accounts payable	684,706
Accrued cost of electricity	13,332,273
Other accrued liabilities	271,303
User taxes and energy surcharges due to other governments	280,483
Note payable to bank	435,659
Loan payable to Sonoma County Water Agency	252,863
Total current liabilities	<u>15,257,287</u>
Noncurrent liabilities	
Note payable to bank	1,318,838
Loan payable to Sonoma County Water Agency	1,429,293
Deferred construction damages	3,450,000
Total noncurrent liabilities	<u>6,198,131</u>
Total liabilities	<u>21,455,418</u>

### NET POSITION

Net investment in capital assets	140,880
Unrestricted	8,443,432
Total net position	<u>\$ 8,584,312</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**July 1, 2014 through April 30, 2015**

**OPERATING REVENUES**

Electricity sales	\$ 73,288,961
Evergreen electricity premium	144,634
Total operating revenues	<u>73,433,595</u>

**OPERATING EXPENSES**

Cost of electricity	60,124,658
Staff compensation	1,048,516
Data manager	1,329,281
Service fees - PG&E	334,323
Consultants	459,259
Legal	199,706
Communications	891,284
General and administration	171,657
Total operating expenses	<u>64,558,684</u>
Operating income	<u>8,874,911</u>

**NONOPERATING REVENUES (EXPENSES)**

Interest expense	<u>(189,309)</u>
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**CHANGE IN NET POSITION**

	8,685,602
Net position at beginning of period	<u>(101,290)</u>
Net position at end of period	<u><u>\$ 8,584,312</u></u>

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS July 1, 2014 through April 30, 2015

### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 69,078,664
Cash receipts from construction delay damages	3,450,000
Cash payments to purchase electricity	(53,081,193)
Cash payments for staff compensation	(1,024,823)
Cash payments for contract services	(2,163,197)
Cash payments for communications	(928,291)
Cash payments for general and administration	(163,308)
Net cash provided (used) by operating activities	<u>15,167,852</u>

### CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Loan proceeds from bank notes and loans	80,000
Principal payments on bank notes and loans	(3,218,580)
Deposits and collateral paid	(575,566)
Deposits and collateral returned	1,040,300
Interest expense paid	(222,911)
Net cash provided (used) by non-capital financing activities	<u>(2,896,757)</u>

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(20,138)</u>
Net increase in cash and cash equivalents	12,250,957
Cash and cash equivalents at beginning of year	<u>2,729,685</u>
Cash and cash equivalents at end of period	<u>\$ 14,980,642</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF CASH FLOWS (continued)**  
**July 1, 2014 through April 30, 2015**

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

Operating income	\$ 8,874,911
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	12,614
Increase (decrease) in electricity procurement payments made directly from bank notes and loans	280,172
(Increase) decrease in net accounts receivable	(3,413,003)
(Increase) decrease in accrued revenue	(1,360,309)
(Increase) decrease in prepaid expenses	(559,226)
Increase (decrease) in accounts payable	421,490
Increase (decrease) in accrued cost of electricity	7,272,916
Increase (decrease) in accrued liabilities	188,287
Increase (decrease) in construction delay damages	3,450,000
Net cash provided (used) by operating activities	<u>\$ 15,167,852</u>

**NONCASH FINANCING ACTIVITIES**

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