



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 July 31, 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

August 27, 2015



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of July 31, 2015

ASSETS

Current assets	
Cash and cash equivalents	\$ 17,000,676
Accounts receivable, net of allowance	16,064,009
Accrued revenue	7,112,560
Prepaid expenses	590,699
Total current assets	<u>40,767,944</u>
Noncurrent assets	
Capital assets, net of depreciation	170,312
Deposits	339,766
Total noncurrent assets	<u>510,078</u>
Total assets	<u>41,278,022</u>

LIABILITIES

Current liabilities	
Accounts payable	580,708
Accrued cost of electricity	16,611,341
Other accrued liabilities	1,085,857
User taxes and energy surcharges due to other governments	392,761
Loan payable to Sonoma County Water Agency	254,759
Total current liabilities	<u>18,925,426</u>
Noncurrent liabilities	
Loan payable to Sonoma County Water Agency	1,364,823
Deferred liquidated damages	3,450,000
Total noncurrent liabilities	<u>4,814,823</u>
Total liabilities	<u>23,740,249</u>

NET POSITION

Net investment in capital assets	170,312
Unrestricted	17,367,461
Total net position	<u>\$ 17,537,773</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2015 through July 31, 2015

OPERATING REVENUES

Electricity sales	\$ 14,808,385
Evergreen electricity premium	9,915
Total operating revenues	<u>14,818,300</u>

OPERATING EXPENSES

Cost of electricity	10,924,664
Staff compensation	107,332
Data manager	273,203
Service fees - PG&E	83,039
Consultants	193,723
Legal	17,429
Communications	130,176
General and administration	51,019
Total operating expenses	<u>11,780,585</u>
Operating income	<u>3,037,715</u>

NONOPERATING REVENUES (EXPENSES)

Interest expense	<u>(3,993)</u>
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CHANGE IN NET POSITION

	3,033,722
Net position at beginning of period	<u>14,504,051</u>
Net position at end of period	<u><u>\$ 17,537,773</u></u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS

July 1, 2015 through July 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	\$ 12,404,997
Cash payments to purchase electricity	(7,318,032)
Cash payments for staff compensation	(104,658)
Cash payments for contract services	(577,398)
Cash payments for communications	(39,875)
Cash payments for general and administration	(57,186)
Net cash provided (used) by operating activities	<u>4,307,848</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Principal payments on loan	(20,955)
Interest expense payments	(4,045)
Net cash provided (used) by non-capital financing activities	<u>(25,000)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(8,578)</u>
Net change in cash and cash equivalents	4,274,270
Cash and cash equivalents at beginning of year	<u>12,726,406</u>
Cash and cash equivalents at end of period	<u>\$ 17,000,676</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2015 through July 31, 2015

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

Operating income	\$ 3,037,715
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	2,860
Increase (decrease) in electricity procurement payments	
(Increase) decrease in net accounts receivable	(3,885,050)
(Increase) decrease in accrued revenue	1,128,001
(Increase) decrease in prepaid expenses	88,807
Increase (decrease) in accounts payable	(28,785)
Increase (decrease) in accrued cost of electricity	3,607,432
Increase (decrease) in accrued liabilities	374,219
Increase (decrease) in user taxes and energy surcharges due to other governments	(17,351)
Net cash provided (used) by operating activities	<u>\$ 4,307,848</u>