



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 August 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

September 29, 2015



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of August 31, 2015

ASSETS

Current assets	
Cash and cash equivalents	\$ 19,788,392
Accounts receivable, net of allowance	17,099,423
Accrued revenue	8,672,952
Prepaid expenses	578,422
Total current assets	<u>46,139,189</u>
Noncurrent assets	
Capital assets, net of depreciation	174,172
Deposits	339,766
Total noncurrent assets	<u>513,938</u>
Total assets	<u>46,653,127</u>

LIABILITIES

Current liabilities	
Accounts payable	499,167
Accrued cost of electricity	15,753,332
Other accrued liabilities	1,374,552
User taxes and energy surcharges due to other governments	456,192
Loan payable to Sonoma County Water Agency	234,481
Total current liabilities	<u>18,317,724</u>
Noncurrent liabilities	
Loan payable to Sonoma County Water Agency	1,343,301
Deferred liquidated damages	3,450,000
Total noncurrent liabilities	<u>4,793,301</u>
Total liabilities	<u>23,111,025</u>

NET POSITION

Net investment in capital assets	174,172
Unrestricted	<u>23,367,930</u>
Total net position	<u>\$ 23,542,102</u>

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

OPERATING REVENUES

Electricity sales	\$ 31,501,405
Evergreen electricity premium	34,251
Total operating revenues	31,535,656

OPERATING EXPENSES

Cost of electricity	20,979,969
Staff compensation	214,409
Data manager	543,485
Service fees - PG&E	170,204
Consultants	240,253
Legal	63,567
Communications	207,678
General and administration	69,971
Total operating expenses	22,489,536
Operating income	9,046,120

NONOPERATING REVENUES (EXPENSES)

Interest expense	(8,069)
	(8,069)

CHANGE IN NET POSITION

	9,038,051
Net position at beginning of period	14,504,051
Net position at end of period	\$ 23,542,102

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2015 through August 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	\$ 26,863,028
Cash payments to purchase electricity	(18,214,996)
Cash payments for staff compensation	(210,163)
Cash payments for contract services	(1,089,870)
Cash payments for communications	(135,874)
Cash payments for general and administration	(63,802)
Net cash provided (used) by operating activities	<u>7,148,323</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Principal payments on loan	(62,755)
Interest expense payments	(8,172)
Net cash provided (used) by non-capital financing activities	<u>(70,927)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(15,410)</u>
Net change in cash and cash equivalents	7,061,986
Cash and cash equivalents at beginning of year	12,726,406
Cash and cash equivalents at end of period	<u>\$ 19,788,392</u>

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

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

Operating income	\$ 9,046,120
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	5,832
Increase (decrease) in electricity procurement payments	
(Increase) decrease in net accounts receivable	(4,920,464)
(Increase) decrease in accrued revenue	(432,391)
(Increase) decrease in prepaid expenses	101,084
Increase (decrease) in accounts payable	(110,326)
Increase (decrease) in accrued cost of electricity	2,749,423
Increase (decrease) in accrued liabilities	662,965
Increase (decrease) in user taxes and energy surcharges due to other governments	46,080
Net cash provided (used) by operating activities	<u><u>\$ 7,148,323</u></u>