



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 September 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 financial statements 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 Authority'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

October 28, 2015



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of September 30, 2015

ASSETS

Current assets	
Cash and cash equivalents	\$ 25,570,027
Accounts receivable, net of allowance	16,902,390
Accrued revenue	9,284,615
Prepaid expenses	599,199
Total current assets	<u>52,356,231</u>
Noncurrent assets	
Capital assets, net of depreciation	173,592
Deposits	339,666
Total noncurrent assets	<u>513,258</u>
Total assets	<u>52,869,489</u>

LIABILITIES

Current liabilities	
Accounts payable	479,699
Accrued cost of electricity	16,931,015
Other accrued liabilities	1,495,922
User taxes and energy surcharges due to other governments	523,749
Loan payable to Sonoma County Water Agency	234,949
Total current liabilities	<u>19,665,334</u>
Noncurrent liabilities	
Loan payable to Sonoma County Water Agency	1,321,724
Supplier security deposits	3,450,000
Total noncurrent liabilities	<u>4,771,724</u>
Total liabilities	<u>24,437,058</u>

NET POSITION

Net investment in capital assets	173,592
Unrestricted	<u>28,258,839</u>
Total net position	<u>\$ 28,432,431</u>

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

OPERATING REVENUES

Electricity sales, net	\$ 47,560,536
Evergreen electricity premium	55,378
Total operating revenues	<u>47,615,914</u>

OPERATING EXPENSES

Cost of electricity	30,691,354
Staff compensation	343,389
Data manager	817,855
Service fees - PG&E	257,211
Consultants	288,949
Legal	87,112
Communications	255,385
General and administration	87,153
Total operating expenses	<u>32,828,408</u>
Operating income	<u>14,787,506</u>

NONOPERATING REVENUES (EXPENSES)

Interest expense	<u>(12,090)</u>
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CHANGE IN NET POSITION

	14,775,416
Net position at beginning of period	<u>13,657,015</u>
Net position at end of period	<u><u>\$ 28,432,431</u></u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2015 through September 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	\$ 42,714,047
Cash payments to purchase electricity	(27,620,584)
Cash payments for staff compensation	(329,716)
Cash payments for contract services	(1,511,986)
Cash payments for communications	(192,951)
Cash payments for general and administration	(97,458)
Net cash provided (used) by operating activities	<u>12,961,352</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Principal payments on loan	(83,864)
Deposits and collateral returned	100
Interest expense payments	(16,135)
Net cash provided (used) by non-capital financing activities	<u>(99,899)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(17,832)</u>
Net change in cash and cash equivalents	12,843,621
Cash and cash equivalents at beginning of year	<u>12,726,406</u>
Cash and cash equivalents at end of period	<u>\$ 25,570,027</u>

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

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

Operating income	\$ 14,787,506
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	8,834
(Increase) decrease in net accounts receivable	(4,723,431)
(Increase) decrease in accrued revenue	(1,044,054)
(Increase) decrease in prepaid expenses	80,307
Increase (decrease) in accounts payable	(129,794)
Increase (decrease) in accrued cost of electricity	3,080,070
Increase (decrease) in accrued liabilities	788,277
Increase (decrease) in user taxes and energy surcharges due to other governments	113,637
Net cash provided (used) by operating activities	<u>\$ 12,961,352</u>