



ACCOUNTANTS' COMPILATION REPORT

Management
Sonoma Clean Power

Management is responsible for the accompanying financial statements of Sonoma Clean Power (a California Joint Powers Authority) which comprise the statement of net position as of July 31, 2016, and the related statement of revenues, expenses, and changes in net position, and the statement cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these 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, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
September 2, 2016



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of July 31, 2016

ASSETS

Current assets	
Cash and cash equivalents	\$ 29,653,048
Accounts receivable, net of allowance	17,087,859
Other receivables	958,019
Accrued revenue	9,094,042
Prepaid expenses	16,449
Investments	7,007,726
Total current assets	<u>63,817,143</u>
Noncurrent assets	
Capital assets, net of depreciation	198,705
Deposits	734,666
Total noncurrent assets	<u>933,371</u>
Total assets	<u>64,750,514</u>

LIABILITIES

Current liabilities	
Accounts payable	543,594
Accrued cost of electricity	22,232,274
Other accrued liabilities	177,884
User taxes and energy surcharges due to other governments	386,289
Total current liabilities	<u>23,340,041</u>

NET POSITION

Net investment in capital assets	198,705
Unrestricted	41,211,768
Total net position	<u>\$ 41,410,473</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2016 through July 31, 2016

OPERATING REVENUES

Electricity sales, net	\$ 14,356,354
Evergreen electricity premium	7,966
Electricity sales for resale	718,508
Total operating revenues	<u>15,082,828</u>

OPERATING EXPENSES

Cost of electricity	13,418,703
Staff compensation	186,226
Data manager	273,838
Service fees - PG&E	86,805
Consultants and other professional fees	69,661
Legal	15,015
Communications	68,625
General and administration	40,263
Depreciation	3,983
Total operating expenses	<u>14,163,119</u>
Operating income	<u>919,709</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>12,024</u>
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CHANGE IN NET POSITION

Net position at beginning of period	<u>40,478,740</u>
Net position at end of period	<u>\$ 41,410,473</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2016 through July 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 13,135,153
Receipts from electricity sales for resale	803,208
Tax and surcharge receipts from customers	216,278
Cash payments to purchase electricity	(11,024,758)
Cash payments for staff compensation	(185,706)
Cash payments for contract services	(520,131)
Cash payments for communications	(91,498)
Cash payments for general and administration	(41,245)
Tax and surcharge payments to other governments	(293,041)
Net cash provided (used) by operating activities	<u>1,998,260</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Deposits and collateral returned	<u>20,000</u>
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CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(7,118)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>10,739</u>
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Net change in cash and cash equivalents	2,021,881
Cash and cash equivalents at beginning of year	<u>27,631,167</u>
Cash and cash equivalents at end of period	<u>\$ 29,653,048</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2016 through July 31, 2016

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

Operating income	\$	919,709
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense		3,982
(Increase) decrease in net accounts receivable		(1,460,033)
(Increase) decrease in other receivables		84,700
(Increase) decrease in accrued revenue		230,865
(Increase) decrease in prepaid expenses		3,699
Increase (decrease) in accounts payable		(108,159)
Increase (decrease) in accrued cost of electricity		2,050,136
Increase (decrease) in accrued liabilities		350,124
Increase (decrease) in user taxes and energy surcharges due to other governments		(76,763)
Net cash provided (used) by operating activities	<u>\$</u>	<u>1,998,260</u>