



ACCOUNTANTS' COMPILATION REPORT

Management
Sonoma Clean Power Authority

Management is responsible for the accompanying financial statements of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the statement of net position as of September 30, 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
November 15, 2016



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of September 30, 2016

ASSETS

Current assets	
Cash and cash equivalents	\$ 31,932,087
Accounts receivable, net of allowance	16,995,365
Other receivables	959,667
Accrued revenue	8,087,239
Prepaid expenses	19,088
Investments	7,007,726
Total current assets	<u>65,001,172</u>
Noncurrent assets	
Capital assets, net of depreciation	196,408
Deposits	3,804,666
Total noncurrent assets	<u>4,001,074</u>
Total assets	<u>69,002,246</u>

LIABILITIES

Current liabilities	
Accounts payable	436,545
Accrued cost of electricity	21,062,907
Other accrued liabilities	216,901
User taxes and energy surcharges due to other governments	496,661
Total current liabilities	<u>22,213,014</u>

NET POSITION

Net investment in capital assets	196,408
Unrestricted	46,442,824
Total net position	<u>\$ 46,639,232</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2016 through September 30, 2016

OPERATING REVENUES

Electricity sales, net	\$ 43,602,299
Evergreen electricity premium	45,682
Electricity sales for resale	3,375,459
Total operating revenues	<u>47,023,440</u>

OPERATING EXPENSES

Cost of electricity	38,721,861
Staff compensation	548,606
Data manager	775,977
Service fees - PG&E	260,183
Consultants and other professional fees	224,098
Legal	49,364
Communications	214,644
General and administration	100,532
Depreciation	12,086
Total operating expenses	<u>40,907,351</u>
Operating income	<u>6,116,089</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>44,403</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>\$ 46,639,232</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2016 through September 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 43,518,111
Receipts from electricity sales for resale	3,462,482
Receipts from supplier security deposits	150,000
Tax and surcharge receipts from customers	487,143
Payments to purchase electricity	(37,500,035)
Payments for staff compensation	(501,778)
Payments for contract services	(1,474,650)
Payments for communications	(242,119)
Payments for general and administration	(120,922)
Tax and surcharge payments to other governments	(453,534)
Net cash provided (used) by operating activities	<u>7,324,698</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Deposits and collateral paid	(3,110,000)
Deposits and collateral returned	60,000
Net cash provided (used) by non-capital financing activities	<u>(3,050,000)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(12,925)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>39,147</u>
Net change in cash and cash equivalents	4,300,920
Cash and cash equivalents at beginning of year	27,631,167
Cash and cash equivalents at end of period	<u>\$ 31,932,087</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2016 through September 30, 2016

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

Operating income	\$ 6,116,089
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	12,086
(Increase) decrease in net accounts receivable	(1,367,539)
(Increase) decrease in other receivables	87,023
(Increase) decrease in accrued revenue	1,237,668
(Increase) decrease in prepaid expenses	1,060
Increase (decrease) in accounts payable	(215,208)
Increase (decrease) in accrued cost of electricity	133,929
Increase (decrease) in accrued liabilities	1,135,981
Increase (decrease) in user taxes and energy surcharges due to other governments	33,609
Increase (decrease) in supplier security deposits	150,000
Net cash provided (used) by operating activities	<u>\$ 7,324,698</u>