



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 October 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
December 6, 2016



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of October 31, 2016

ASSETS

Current assets	
Cash and cash equivalents	\$ 31,078,054
Total cash and cash equivalents	<u>31,078,054</u>
Accounts receivable, net of allowance	19,216,234
Other receivables	466,030
Accrued revenue	6,534,355
Prepaid expenses	34,572
Deposits	165,000
Investments	<u>7,007,726</u>
Total current assets	64,501,971
Noncurrent assets	
Capital assets, net of depreciation	197,429
Deposits	<u>3,784,666</u>
Total noncurrent assets	<u>3,982,095</u>
Total assets	<u>68,484,066</u>

LIABILITIES

Current liabilities	
Accounts payable	393,978
Accrued cost of electricity	19,367,127
Other accrued liabilities	305,362
User taxes and energy surcharges due to other governments	<u>385,369</u>
Total current liabilities	20,451,836
Noncurrent liabilities	
Supplier security deposits	<u>150,000</u>
Total liabilities	<u>20,601,836</u>

NET POSITION

Net investment in capital assets	197,429
Unrestricted	<u>47,684,801</u>
Total net position	<u>\$ 47,882,230</u>

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

OPERATING REVENUES

Electricity sales, net	\$ 56,832,448
Evergreen electricity premium	63,503
Electricity sales for resale	3,849,947
Total operating revenues	<u>60,745,898</u>

OPERATING EXPENSES

Cost of electricity	50,411,258
Staff compensation	739,318
Data manager	1,003,996
Service fees - PG&E	345,183
Consultants and other professional fees	245,652
Legal	100,176
Communications	317,042
General and administration	141,106
Program rebates and incentives	85,000
Depreciation	16,147
Total operating expenses	<u>53,404,878</u>
Operating income	<u>7,341,020</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>62,470</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><u>\$ 47,882,230</u></u>

SONOMA CLEAN POWER AUTHORITY

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

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 56,098,096
Receipts from electricity sales for resale	4,432,359
Receipts from supplier security deposits	150,000
Tax and surcharge receipts from customers	845,922
Payments to purchase electricity	(50,885,212)
Payments for staff compensation	(698,879)
Payments for contract services	(1,868,903)
Payments for communications	(324,371)
Payments for general and administration	(135,975)
Payments for public good programs and incentives	(250,000)
Tax and surcharge payments to other governments	(923,605)
Net cash provided (used) by operating activities	<u>6,439,432</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Deposits and collateral paid	(3,110,000)
Deposits and collateral returned	<u>80,000</u>
Net cash provided (used) by non-capital financing activities	<u>(3,030,000)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(18,007)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>55,462</u>
Net change in cash and cash equivalents	3,446,887
Cash and cash equivalents at beginning of year	<u>27,631,167</u>
Cash and cash equivalents at end of period	<u><u>\$ 31,078,054</u></u>

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

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

Operating income	\$ 7,341,020
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	16,147
Revenue reduced for uncollectible accounts	285,904
(Increase) decrease in net accounts receivable	(3,874,312)
(Increase) decrease in other receivables	582,412
(Increase) decrease in accrued revenue	2,790,552
(Increase) decrease in prepaid expenses	(14,424)
(Increase) decrease in current deposits	(165,000)
Increase (decrease) in accounts payable	(257,775)
Increase (decrease) in accrued cost of electricity	(1,581,807)
Increase (decrease) in accrued liabilities	1,244,398
Increase (decrease) in user taxes and energy surcharges due to other governments	(77,683)
Increase (decrease) in supplier security deposits	150,000
Net cash provided (used) by operating activities	<u>\$ 6,439,432</u>