



AGENDA

Meeting of the Finance and Risk Management Committee San Diego Community Power (SDCP)

April 11, 2024
3:00 p.m.

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium
9192 Topaz Way, San Diego, CA 92123

The meeting will be held in person at the above date, time and location. Finance and Risk Management Committee (FRMC) Members and members of the public may attend in person. Under certain circumstances, FRMC Members may also attend and participate in the meeting virtually pursuant to the Brown Act (Gov. Code § 54953). As a convenience to the public, SDCP provides a call-in option and internet-based option for members of the public to virtually observe and provide public comments at its meetings. Additional details on in-person and virtual public participation are below. Please note that, in the event of a technical issue causing a disruption in the call-in option or internet-based option, the meeting will continue unless otherwise required by law, such as when an FRMC Member is attending the meeting virtually pursuant to certain provisions of the Brown Act.

Note: Any member of the public may provide comments to the Finance and Risk Management Committee on any agenda item. When providing comments to the FRMC, it is requested that you provide your name and city of residence for the record. Commenters are requested to address their comments to the FRMC as a whole through the Chair. Comments may be provided in one of the following manners:

1. Providing Oral Comments During Meeting. Anyone attending in person desiring to address the FRMC is asked to fill out a speaker's slip and present it to the Clerk of the Board or the Secretary. To provide remote comments during the meeting, join the Zoom meeting by computer, mobile phone, or dial-in number. On Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. This will notify the moderator that you wish to speak during a specific item on the agenda or during non-agenda Public Comment. Members of the public will not be shown on video but will be able to speak when called upon. If joining the meeting using the Zoom dial-in number, you can raise your hand by pressing *9. Comments will be limited to three (3) minutes.
2. Written Comments. Written public comments must be submitted prior to the start of the meeting by using this ([Web Comment Form](#)). Please indicate a specific agenda item when submitting your comment. All written comments received prior to the meeting will be provided to the FRMC members in writing. In the discretion of the Chair, the first ten (10) submitted comments shall be stated into the record of the meeting. Comments read at the meeting will be limited to the first 400 words. Comments received after the start of the meeting will be collected, sent to the FRMC members in writing, and be part of the public record.

If you have anything that you wish to be distributed to the FRMC, please provide it via info@sdcommunitypower.org, who will distribute the information to the Members.

The public may participate using the following remote options:

Teleconference Meeting Webinar <https://zoom.us/j/93476863568> Telephone (Audio Only)

(669) 900-6833 or (253) 215-8782 | Webinar ID: 934 7686 3568

WELCOME

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA

Opportunity for members of the public to address the Board on any items not on the agenda but within the jurisdiction of the Board. Members of the public may provide a comment in either manner described above.

MEETING AGENDA

1. Approve February 15, 2024, Meeting Minutes

Recommendation: Approve February 15, 2024, Meeting Minutes.

2. Review of Treasurer’s Report for Period Ending February 29, 2024

Recommendation: Receive and File Treasurer’s Report for Period Ending February 29, 2024.

3. Recommend Board Approval of Power100 Green-e Certified Service Recommendation:

Recommend Board Approval of the Power100 Green-e certified service.

Committee Member Announcements

Committee Members may briefly provide information to other members and the public. There is to be no discussion or action taken on comments made by Directors unless authorized by law.

ADJOURNMENT

Compliance with the Americans with Disabilities Act

SDCP Committee meetings comply with the protections and prohibitions of the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may contact (888) 382-0169 or info@sdcommunitypower.org. Requests

for disability-related modifications or accommodations require different lead times and should be provided at least 72-hours in advance of the public meeting.

Availability of Committee Documents

Copies of the agenda and agenda packet are available at <https://sdcommunitypower.org/resources/meeting-notes/>. Late-arriving documents related to a Board meeting item which are distributed to a majority of the Members prior to or during the Board meeting are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically at info@sdcommunitypower.org or by mail to SDCP, PO BOX 12716, San Diego, CA 92112. The documents may also be posted at the above website. Such public records are also available for inspection, by appointment, at San Diego Community Power, 2305 Historic Decatur Road, Suite 200, San Diego, CA 92106. Please contact info@sdcommunitypower.org to arrange an appointment.



**FINANCE AND RISK MANAGEMENT COMMITTEE
SAN DIEGO COMMUNITY POWER (SDCP)**

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium
9192 Topaz Way
San Diego, CA 92123

MINUTES
February 15, 2024

The Committee minutes are prepared and ordered to correspond to the Committee Agenda. Agenda Items can be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

WELCOME

CALL TO ORDER

Chair McCann (Chula Vista) called the Finance and Risk Management Committee meeting to order at 3:02 p.m.

ROLL CALL

PRESENT: Chair McCann (Chula Vista), Director Aguirre (Imperial Beach), Director Parent (La Mesa)

ABSENT: None

Also Present: Chief Financial Officer ("CFO")/Treasurer Washington, General Counsel Tyagi, Interim Board Clerk Wiegelman

PLEDGE OF ALLEGIANCE

CFO/Treasurer Washington led the Pledge of Allegiance.

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

There were no items to be added, withdrawn, or reordered.

PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA

There were no public comments.

MEETING AGENDA

1. Approve January 11, 2024 Meeting Minutes

ACTION: Motioned by Director Parent (La Mesa) and seconded by Chair McCann (Chula Vista) to approve the minutes of the Finance and Risk Management Committee meeting held Thursday, January 11, 2024. The motion carried by the following vote:

Vote: 2-0-1

Yes: Chair McCann (Chula Vista) and Director Parent (La Mesa)

No: None

Abstained: Director Aguirre (Imperial Beach)

2. Review of Treasurer's Report for Period Ending December 31, 2023

CFO/Treasurer Washington presented the Treasurer's Report for period ending December 31, 2023.

Following Committee questions and comments, no action was taken.

3. Approve Mid-Year Budget Amendment

CFO/Treasurer Washington provided a PowerPoint presentation on the mid-year budget amendment, highlighting the budget development timeline, the proposed Fiscal Year (FY) 2023-2024 amended budget, the change in the net operating revenue, total expenses and net position, and the budget changes by category.

Committee questions and comments ensued.

ACTION: Motioned by Chair McCann (Chula Vista) and seconded by Director Aguirre (Imperial Beach) to recommend the SDCP Board of Directors approve the mid-year budget amendment. The motion carried by the following vote:

Vote: 3-0

Yes: Chair McCann (Chula Vista), Director Aguirre (Imperial Beach), Director Parent (La Mesa)

No: None

Abstained: None

Absent: None

4. Presentation on Clean Energy Prepayment Financing

CFO/Treasurer Washington and Mike Berwanger, Managing Director, PFM Advisors, provided a PowerPoint presentation on the clean energy prepayment financing, highlighting the prepayment

transaction background, procedure, and goal, prepayments that have been completed by public utilities in California, prepayments that have been completed by Community Choice Aggregations in California, entities involved in an energy prepayment transaction, energy prepayment structure mechanics, how savings would be generated, the limited assignment of a power purchase agreement, and the favorable risk allocation – “take-and-pay” structure.

Following Committee questions and comments, no action was taken.

5. Approve Professional Services Agreement with Chandler Asset Management, Inc. for up to \$250,000 for Financial and Investment Portfolio Management Services through February 2025

CFO/Treasurer Washington provided a PowerPoint presentation on the Professional Services Agreement with Chandler Asset Management, Inc., highlighting the finance and investment management Request for Proposal (RFP), the schedule for the competitive selection process, and the four-week transition timeline.

ACTION: Motioned by Chair McCann (Chula Vista) and seconded by Director Aguirre (Imperial Beach) to recommend the SDCP Board of Directors approve the Professional Services Agreement with Chandler Asset Management, Inc. for up to \$250,000 for Financial and Investment Portfolio Management Services through February 2025. The motion carried by the following vote:

Vote: 3-0

Yes: Chair McCann (Chula Vista), Director Aguirre (Imperial Beach), Director Parent (La Mesa)
No: None
Abstained: None
Absent: None

COMMITTEE MEMBER ANNOUNCEMENTS

There were no announcements.

ADJOURNMENT

Chair McCann (Chula Vista) adjourned the meeting at 3:43 p.m.



SAN DIEGO COMMUNITY POWER Staff Report – Item 2

To: San Diego Community Power Finance and Risk Management Committee
From: Eric W. Washington, Chief Financial Officer
Via: Karin Burns, Chief Executive Officer
Subject: Review of Treasurer’s Report for Period Ending 2/29/2024
Date: April 11, 2024

RECOMMENDATION

Receive and File Treasurer’s Report for Period Ending 02/29/24.

BACKGROUND

San Diego Community Power (SDCP) maintains its accounting records on a full accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental enterprise funds.

SDCP has prepared its year-to-date financial statements for the period ended February 29, 2024, along with budgetary comparisons.

SDCP additionally reports monthly metrics during its Board meetings as part of its Update on Back-Office Operations. As part of the Treasurer’s Report, certain key metrics related to risk are to be presented during Financial and Risk Management Committee (FRMC) meetings.

On February 22, 2024, the SDCP Board of Directors (Board) approved a mid-year budget amendment for Fiscal Year 2023-24 that included net operating revenues of \$1,304,274,067, total expenses of \$1,071,601,284, and a resulting net position of \$232,672,783. Given that the Board approval occurred on February 22, 2024, the review of the Treasurer’s Report for period ending February 29, 2024, is a comparison against the original Fiscal Year 2023-24 budget adopted by the Board on June 22, 2023. Next month’s Treasurer’s Report for period ending March 31, 2024, will include a comparison against the mid-year budget amendment adopted by the Board on February 22, 2024.

ANALYSIS AND DISCUSSION

Actual financial results for the period ended 02/29/24: \$945.30 million in net operating revenues were reported compared to \$985.59 million budgeted for the period. \$732.67 million in total expenses were reported (including \$714.42 million in energy costs) compared to \$717.52 million budgeted for the period (including \$681.34 million budgeted for energy costs). After expenses, SDCP’s change in net position of \$212.63 million was

reported for Fiscal Year 2023-24. The following is a summary of the actual results compared to the Fiscal Year 2023-24 Adopted Budget.

Table 1: Budget Comparison Versus Actual Results

| Budget Comparison | | | | | |
|-------------------------------|------------------------------------|-----------------------|-------------------------|-------------|--|
| | YTD FY24 as of 02/29/24 (8 mos) | FY24 YTD Budget | Budget Variance (\$) | Budget (%) | |
| Net Operating Revenues | \$ 945,301,062 | \$ 985,591,771 | \$ (40,290,709) | 96% | |
| Total Expenses | \$ 732,671,313 | \$ 717,517,113 | \$ 15,154,200 | 102% | |
| Change in Net Position | \$ 212,629,749 | \$ 268,074,658 | \$ (55,444,909) | -21% | |

- Net operating revenues finished \$40.29 million (or 4.0 percentage points) under the budget primarily due to lower-than-expected customer load correlated with cooler weather in the summer months in 2023.
- Operating expenses finished \$15.15 million (or 2.0 percentage points) over the budget primarily due to higher-than-expected energy costs and higher usage in the winter months.

Financial results for the period underperformed the projections presented in the year-to-date proforma. SDCP's change in net position was 21% under the projection primarily due to actual energy costs being higher than projected.

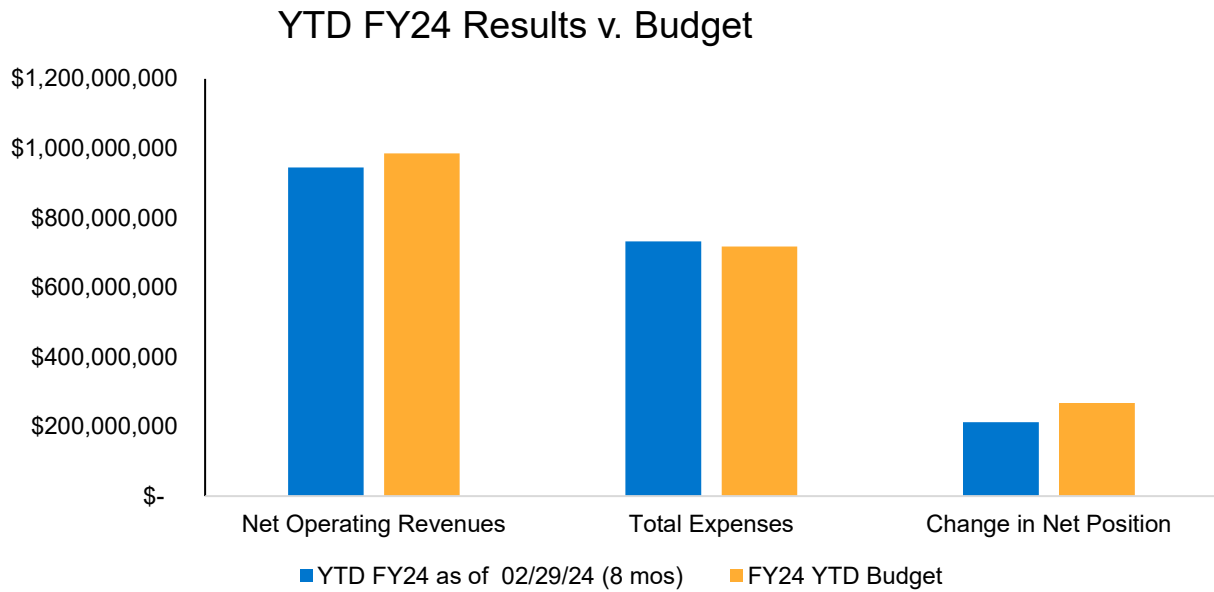
The following is a summary to actual results compared to the fiscal year-to-date proforma.

Table 2: Proforma Comparison Versus Actual Results

| Proforma Comparison | | | | | |
|-------------------------------|------------------------------------|-----------------------|---------------------------|-----------------|--|
| | YTD FY24 as of 02/29/24 (8 mos) | FY24 YTD ProForma | ProForma Variance (\$) | Proforma (%) | |
| Net Operating Revenues | \$ 945,301,062 | \$ 985,591,771 | \$ (40,290,709) | -4% | |
| Total Expenses | \$ 732,671,313 | \$ 716,535,213 | \$ 16,136,100 | 2% | |
| Change in Net Position | \$ 212,629,749 | \$ 269,056,558 | \$ (56,426,809) | -21% | |



Figure 1: Proforma versus Actual Results

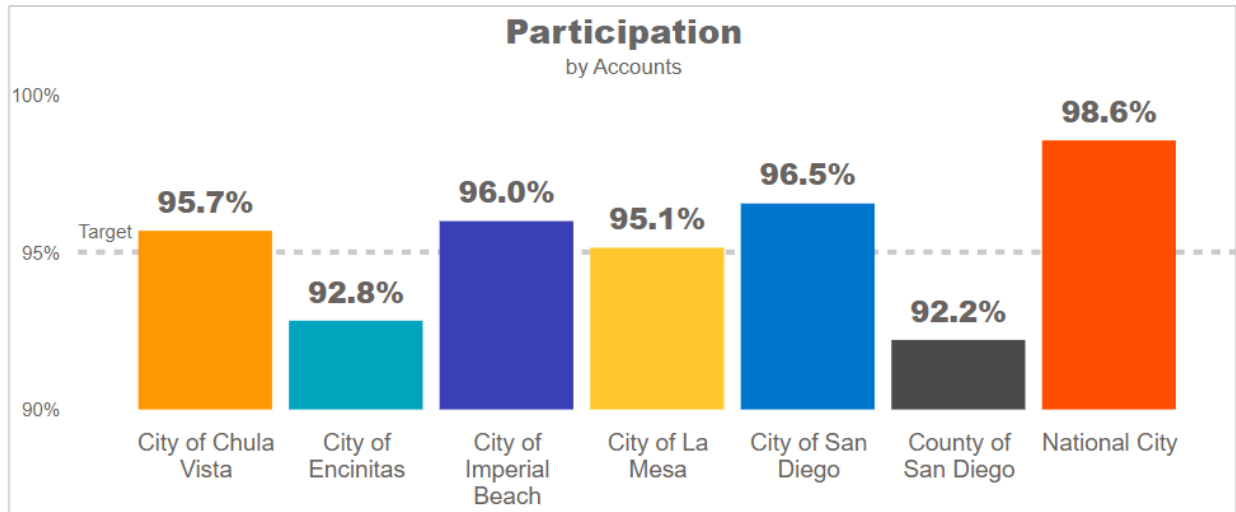


For the period ending 2/29/24, SDCP contributed \$212,629,749 to its net position compared to the expected gain of \$268,074,658 per the Fiscal Year 2023-24 adopted budget. Total SDCP reserves at the end of the period were \$383,260,342 based on cash and cash equivalents – unrestricted, and total available liquidity (including lines of credit) was \$533,260,342. SDCP has a total Fiscal Year 2023-24 year-end reserve target of \$491,079,452, which is equivalent to 180-days of total operating expenses as set in SDCP’s Reserve Policy and Strategic Goals.





Figure 2: Participation Rates as of 3/28/2024



| Jurisdiction | Active | Eligible | Opt Outs | Participation |
|-------------------------------|----------------|----------------|---------------|---------------|
| City of Chula Vista | 93,825 | 98,062 | 4,237 | 95.7% |
| City of Encinitas | 26,407 | 28,449 | 2,042 | 92.8% |
| City of Imperial Beach | 10,501 | 10,940 | 439 | 96.0% |
| City of La Mesa | 28,022 | 29,453 | 1,431 | 95.1% |
| City of San Diego | 600,853 | 622,348 | 21,495 | 96.5% |
| County of San Diego | 174,678 | 190,238 | 14,819 | 92.2% |
| National City | 19,265 | 19,555 | 283 | 98.6% |
| Total | 953,551 | 999,045 | 44,746 | 95.5% |

Phase 4 mass enrollment process in National City and Unincorporated County of San Diego for Non-Net Energy Metering (NEM) customers was officially completed as of May 2023. The participation rate for this new phase is fluid and will change as we continue with our enrollment of Net Energy Metering (NEM) customers from April 2023 through March 2024. In the interim, we are reporting on the opt outs and eligible accounts associated with the phase based on those accounts that we have noticed for enrollment on a rolling basis as of the reporting month.

Staff are also presenting State of SDCP Arrearages related to financial risk for FRMC consideration and for regular review. Additional metrics can be added by request. The below arrearage data includes SDCP's Receivables aged 120+ Days as of 3/1/2024.

Figure 3: State of SDCP Arrearages as of 3/01/2024

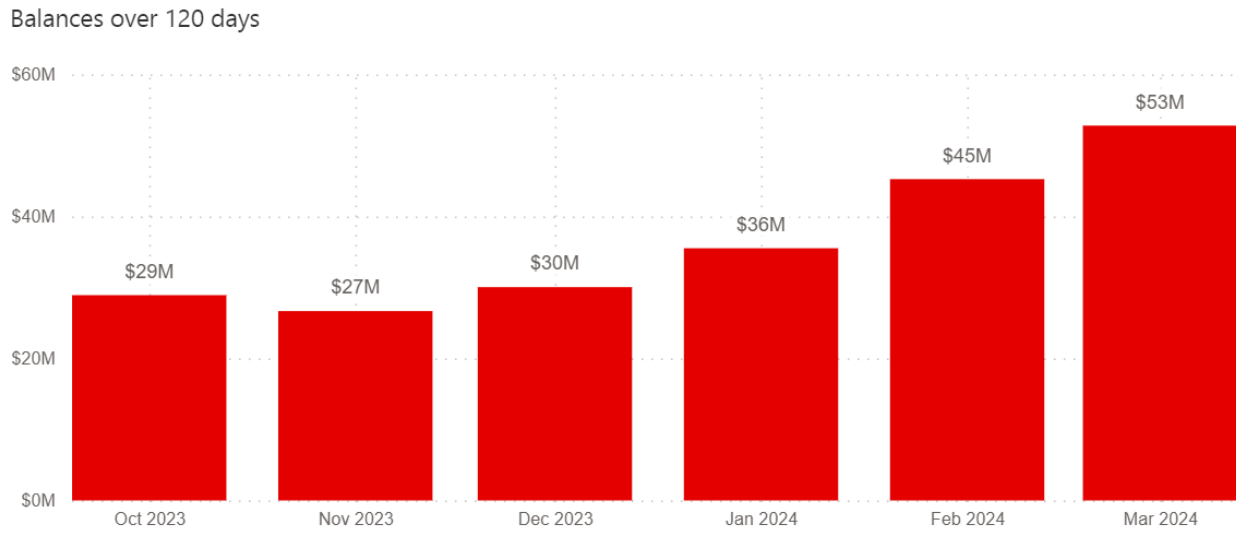
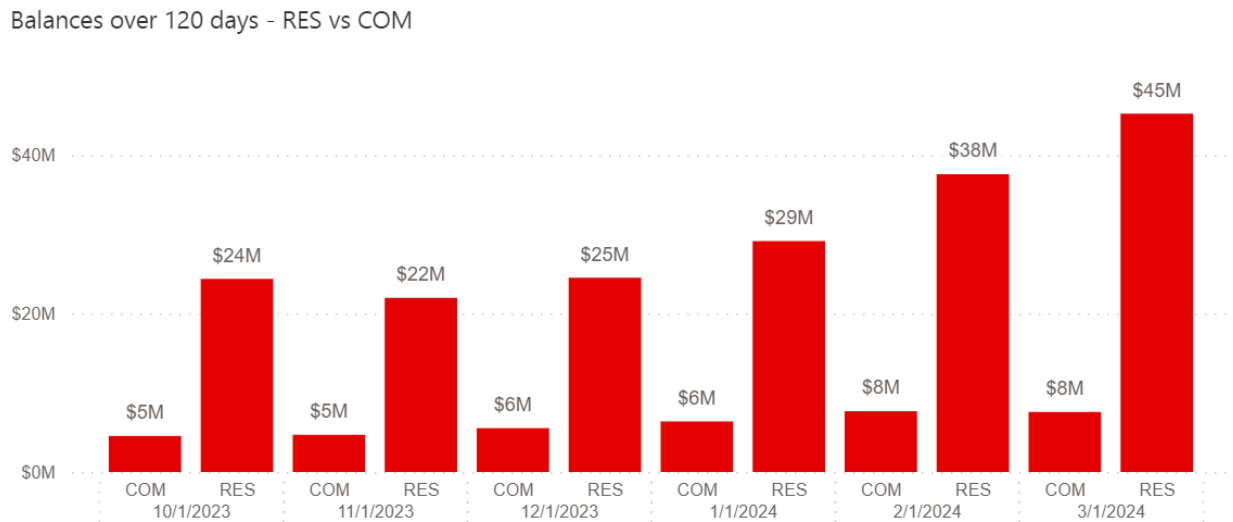


Figure 4: State of SDCP Arrearages Residential vs Commercial as of 3/01/2024



FISCAL IMPACT

N/A

ATTACHMENTS

Attachment A: 2024 Year-to-Date Period Ended 2/29/24 Financial Statements





ACCOUNTANTS' COMPILATION REPORT

Management
San Diego Community Power

Management is responsible for the accompanying financial statements of San Diego Community Power (a California Joint Powers Authority) which comprise the statement of net position as of February 29, 2024, and the related statement of revenues, expenses, and changes in net position, and the statement of 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 note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. San Diego Community Power's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these 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.

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

Maher Accountancy

San Rafael, CA
March 25, 2024

SAN DIEGO COMMUNITY POWER
STATEMENT OF NET POSITION
As of February 29, 2024

ASSETS

| | |
|--|---------------------------|
| Current assets | |
| Cash and cash equivalents - unrestricted | \$ 383,260,342 |
| Cash and cash equivalents - restricted | 500,000 |
| Accounts receivable, net of allowance | 89,250,486 |
| Accrued revenue | 39,673,779 |
| Prepaid expenses | 2,896,570 |
| Other receivables | 451,927 |
| Deposits | <u>4,634,907</u> |
| Total current assets | 520,668,011 |
| Noncurrent assets | |
| Cash and cash equivalents - restricted | 1,147,000 |
| Lease asset, net of amortization | 1,418,819 |
| Capital assets, net of depreciation | <u>135,551</u> |
| Total noncurrent assets | <u>2,701,370</u> |
| Total assets | <u><u>523,369,381</u></u> |

LIABILITIES

| | |
|------------------------------------|---------------------------|
| Current liabilities | |
| Accrued cost of electricity | 110,351,390 |
| Accounts payable | 1,053,392 |
| Other accrued liabilities | 5,355,524 |
| State surcharges payable | 404,247 |
| Deposits - energy suppliers | 5,312,500 |
| Interest and finance costs payable | 193,164 |
| Lease liability | <u>850,666</u> |
| Total current liabilities | <u>123,520,883</u> |
| Noncurrent liabilities | |
| Supplier security deposits | 624,000 |
| Lease liability | <u>702,718</u> |
| Total noncurrent liabilities | <u>1,326,718</u> |
| Total liabilities | <u><u>124,847,601</u></u> |

NET POSITION

| | |
|---------------------------|------------------------------|
| Restricted for collateral | 1,647,000 |
| Unrestricted | <u>396,874,780</u> |
| Total net position | <u><u>\$ 398,521,780</u></u> |

**SAN DIEGO COMMUNITY POWER
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Eight Months Ended February 29, 2024**

OPERATING REVENUES

| | |
|--------------------------|--------------------|
| Electricity sales, net | \$ 944,221,312 |
| Grant revenue | 807,250 |
| Other income | 322,200 |
| Total operating revenues | <u>945,350,762</u> |

OPERATING EXPENSES

| | |
|-------------------------------|--------------------|
| Cost of electricity | 714,621,854 |
| Contract services | 12,277,201 |
| Staff compensation | 7,134,637 |
| Other operating expenses | 2,252,491 |
| Depreciation and amortization | 432,041 |
| Total operating expenses | <u>736,718,224</u> |
| Operating income | <u>208,632,538</u> |

NON-OPERATING REVENUES (EXPENSES)

| | |
|---------------------------------------|------------------|
| Interest income | 5,174,982 |
| Interest and financing expense | (1,298,071) |
| Nonoperating revenues (expenses), net | <u>3,876,911</u> |

CHANGE IN NET POSITION

| | |
|-----------------------------------|-----------------------|
| | 212,509,449 |
| Net position at beginning of year | 186,012,331 |
| Net position at end of year | <u>\$ 398,521,780</u> |

**SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS
Eight Months Ended February 29, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|---|------------------|
| Receipts from customers | \$ 1,006,250,136 |
| Receipts of supplier security deposits | 31,759,733 |
| Receipts from wholesale sales | 14,871,895 |
| Other operating receipts | 1,129,450 |
| Payments to suppliers for electricity | (679,805,003) |
| Payments for goods and services | (12,890,784) |
| Payments of staff compensation and benefits | (6,852,195) |
| Payments for deposits and collateral | (2,804,693) |
| Payments of state surcharges | (1,742,916) |
| Net cash provided by operating activities | 349,915,623 |

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

| | |
|--|--------------|
| Principal payments - bank note | (35,730,000) |
| Interest and related expense payments | (1,627,931) |
| Net cash provided (used) by non-capital financing activities | (37,357,931) |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

| | |
|---|-----------|
| Payments of lease liability | (317,235) |
| Payments to acquire capital assets | (71,550) |
| Net cash (used) by capital and related financing activities | (388,785) |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|--|----------------|
| Interest income received | 4,907,555 |
| Net change in cash and cash equivalents | 317,076,462 |
| Cash and cash equivalents at beginning of year | 67,830,880 |
| Cash and cash equivalents at end of year | \$ 384,907,342 |

Reconciliation to the Statement of Net Position

| | |
|--|----------------|
| Cash and cash equivalents (unrestricted) | \$ 383,260,342 |
| Restricted cash - current | 500,000 |
| Restricted cash - noncurrent | 1,147,000 |
| Cash and cash equivalents | \$ 384,907,342 |

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS (continued)
Eight Months Ended February 29, 2024

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

| | |
|---|-----------------------|
| Operating income | \$ 208,632,538 |
| Adjustments to reconcile operating income to net cash provided by operating activities | |
| Depreciation and amortization expense | 432,041 |
| (Increase) decrease in: | |
| Accounts receivable, net | 21,263,245 |
| Accrued revenue | 39,119,005 |
| Prepaid expenses | 27,630,928 |
| Other receivables | 49,215 |
| Deposits | 13,021,443 |
| Increase (decrease) in: | |
| Accrued cost of electricity | 33,006,047 |
| Accounts payable | 614,126 |
| Other accrued liabilities | 1,560,877 |
| State surcharges payable | (96,342) |
| Supplier security deposits | 4,682,500 |
| Net cash provided by operating activities | <u>\$ 349,915,623</u> |



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
San Diego Community Power

Management is responsible for the accompanying special purpose operating fund budgetary comparison schedule of San Diego Community Power (SDCP), a California Joint Powers Authority, for the period ended February 29, 2024, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. 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 statement 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, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of SDCP.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. SDCP's annual audited financial statements will include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these 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.

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

Maher Accountancy

San Rafael, CA
March 25, 2024

**SAN DIEGO COMMUNITY POWER
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
Eight Months Ended February 29, 2024**

| | 2023/24 YTD Budget | 2023/24 YTD Actual | 2023/24 YTD Budget Variance (Under) Over | 2023/24 YTD Actual/ Budget % | 2023/24 Annual Budget | 2023/24 Budget Remaining |
|--|-------------------------------|-------------------------------|---|---|----------------------------------|-------------------------------------|
| REVENUES AND OTHER SOURCES | | | | | | |
| Gross Ratepayer Revenues | 1,026,658,095 | \$ 983,563,867 | (43,094,228) | 96% | \$ 1,346,325,552 | \$ 362,761,685 |
| Less: Uncollectible Customer Accounts | (41,066,324) | (39,342,555) | 1,723,769 | 96% | (53,853,022) | (14,510,467) |
| Grant Revenue | - | 807,250 | 807,250 | | - | (807,250) |
| Other income | | 272,500 | 272,500 | | - | (272,500) |
| Total Revenues and Other Sources | <u>985,591,771</u> | <u>945,301,062</u> | <u>(40,290,709)</u> | | <u>1,292,472,530</u> | <u>347,171,468</u> |
| OPERATING EXPENSES | | | | | | |
| Cost of Energy | 681,343,128 | 714,572,154 | 33,229,026 | 105% | 948,529,425 | 233,957,271 |
| Professional Services and Consultants | 15,655,384 | 11,739,478 | (3,915,906) | 75% | 22,939,626 | 11,200,148 |
| Personnel Costs | 8,644,596 | 7,134,637 | (1,509,959) | 83% | 13,178,031 | 6,043,394 |
| Marketing and Outreach | 2,029,756 | 1,423,451 | (606,305) | 70% | 2,973,829 | 1,550,378 |
| General and Administration | 5,469,283 | 1,497,825 | (3,971,458) | 27% | 7,861,973 | 6,364,148 |
| Programs | 189,917 | 177,346 | (12,571) | 93% | 278,250 | 100,904 |
| Total Operating Expenses | <u>713,332,064</u> | <u>736,544,891</u> | <u>23,212,827</u> | | <u>995,761,134</u> | <u>259,216,243</u> |
| Operating Income (Loss) | <u>272,259,707</u> | <u>208,756,171</u> | <u>(63,503,536)</u> | | <u>296,711,396</u> | <u>87,955,225</u> |
| NON-OPERATING REVENUES (EXPENSES) | | | | | | |
| Investment Income | - | 5,174,982 | 5,174,982 | | - | (5,174,982) |
| Interest and Related Expenses | (1,625,049) | (1,301,404) | 323,645 | 80% | (2,437,574) | (1,136,170) |
| Transfer to Capital Investment Program | (2,560,000) | - | 2,560,000 | 0% | (3,840,002) | (3,840,002) |
| Total Non-Operating Revenues (Expenses) | <u>(4,185,049)</u> | <u>3,873,578</u> | <u>8,058,627</u> | | <u>(6,277,576)</u> | <u>(10,151,154)</u> |
| NET INCREASE (DECREASE) | <u>\$ 268,074,658</u> | <u>\$ 212,629,749</u> | <u>\$ (55,444,909)</u> | | <u>\$ 290,433,820</u> | <u>\$ 77,804,071</u> |

See accountants' compilation report.