



Finance and Risk Management Committee

November 16, 2021



Regular Meeting Agenda

1. Welcome
2. Roll Call
3. Public Comment for Items Not on the Agenda
4. Items to be Added, Withdrawn, or Reordered on the Agenda
5. Treasurer's Report for Period Ending 9/30/21
6. Review Draft of Proposed Stipend Resolution (continued to December meeting)
7. Receive Preliminary FY2021 Audit Report from Pimenti & Brinker
8. Committee Member Announcements
9. Adjournment

Item 5

Treasurer's Report for Period Ending 9/30/21

Item 5: Treasurer's Report

YTD FY22 Budget v. Actual

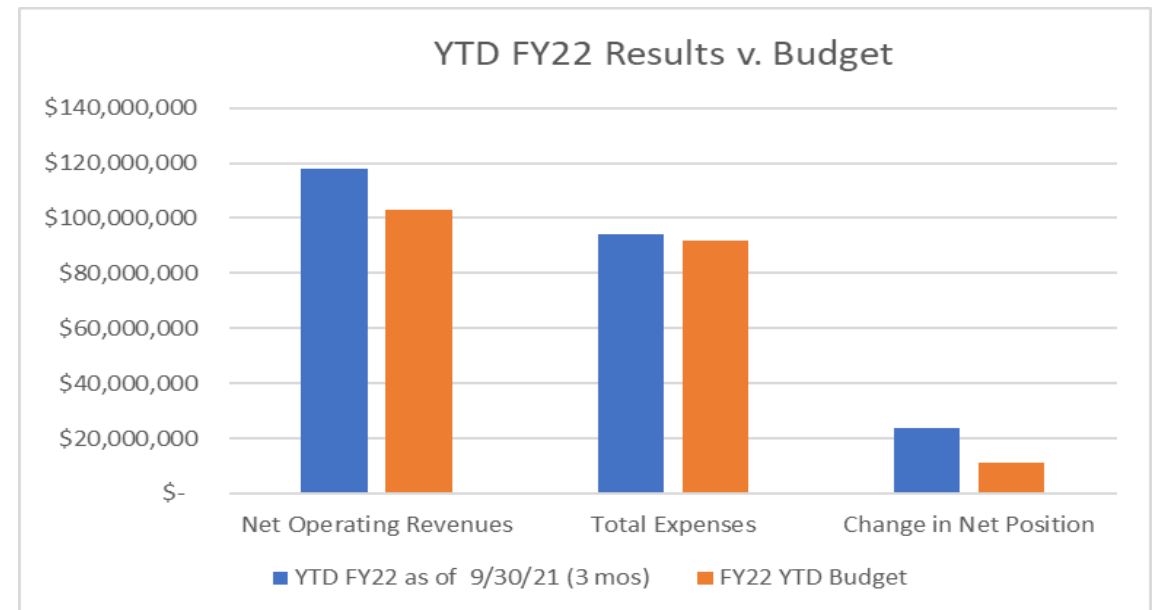
Results for the period were positive compared to the budget:

- Net operating revenues were 14% over the budgeted amount
- Operating expenses came in (1.23%) under

Financial results for the YTD FY22:

- \$117.95 million in net operating revenues
- \$94.02 million in total expenses (includes energy costs-\$92.33 million)
- \$17.3 million change in net position

	Budget Comparison			
	YTD FY22 as of 9/30/21 (3 mos)	FY22 YTD Budget	Budget Variance (\$)	Budget (%)
Net Operating Revenues	\$ 117,950,477	\$ 103,115,220	\$ 14,835,257	114
Total Expenses	\$ 94,024,935	\$ 91,911,636	\$ 2,113,299	102
Change in Net Position	\$ 23,925,542	\$ 11,203,584	\$ 12,721,958	



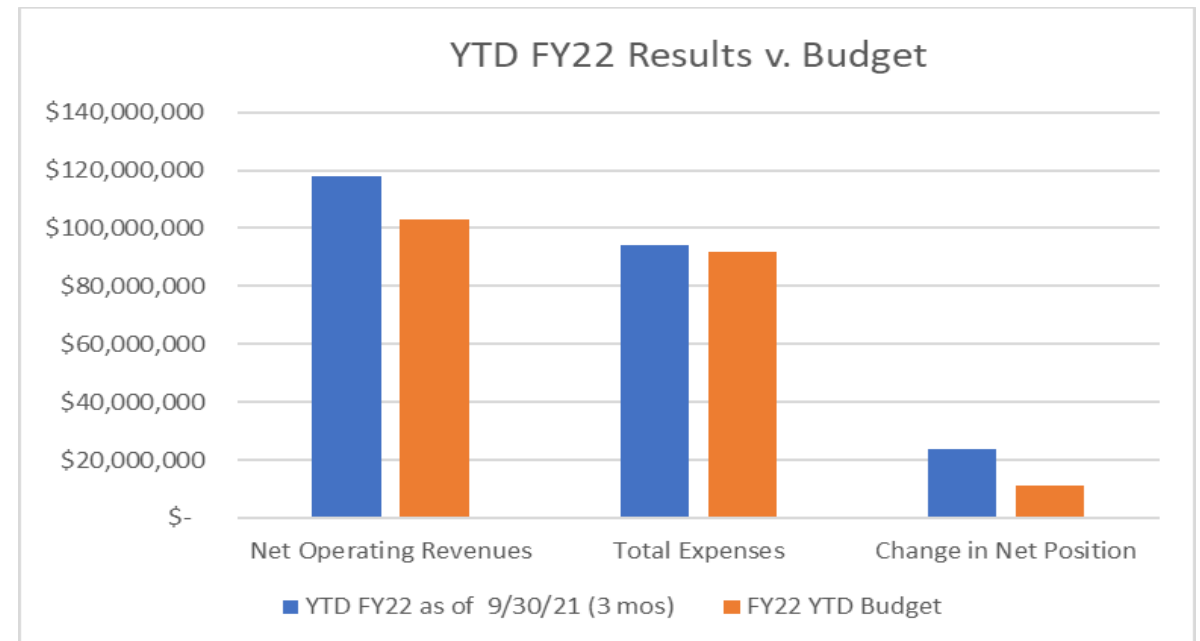
Item 5: Treasurer's Report

YTD FY22 Actual v. Proforma

Overall, financial results for the period exceeded proforma

- Net operating revenues were \$1.8M over
- Total expenses were \$1.2M less than projected
- Change in net position was \$3.1M over

	YTD FY22 as of 9/30/21 (3 mos)	Proforma Comparison		Proforma (%)
		FY22 YTD ProForma	ProForma Variance (\$)	
Net Operating Revenues	\$ 117,950,477	\$ 116,069,169	\$ 1,881,308	1.62%
Total Expenses	\$ 94,024,935	\$ 95,199,208	\$ (1,174,273)	-1.23%
Change in Net Position	\$ 23,925,542	\$ 20,869,961	\$ 3,055,581	14.64%



Item 7

Receive Preliminary FY2021 Audit Report from Piseni & Brinker



PISENTI & BRINKER LLP

Certified Public Accountants & Advisors

*San Diego Community Power
Report to the Finance and Risk
Management Committee
November 16, 2021*

Introduction

- Brett Bradford, CPA
 - Audit Partner
 - 18 years in public accounting and performing audits of government entities
 - Currently working with several CCA's throughout California
- Andrea Lifto, CPA
 - Engagement Manager
 - 5 years in public accounting and performing audits of governments (CCA's)

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PISENTI & BRINKER LLP
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Audits of the year and period ended June 30, 2021 and 2020 Financial Statements

Relative Roles & Responsibilities

- **Management** is responsible for preparing the Financial Statements and establishing a system of internal control
- **Auditor** is responsible for auditing the Financial Statements
 - Considering risks of material misstatement in the Financial Statements – Inherent risk
 - Considering internal controls relevant to the Financial Statements – Control risk
 - Performing tests of year-end balances based on risk assessment
 - Evaluating adequacy of disclosures

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Audit of the year and period ended June 30, 2021 and 2020 Financial Statements

- The 2021 audit is substantially complete. We anticipate reporting:
 - Unmodified opinion – Based on our audit, the financial statements are materially accurate.
 - No significant deficiencies in internal control have been identified.

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Risk Assessment for the year and period ended June 30, 2021 and 2020

- Significant areas of focus
 - Cash and securities
 - Confirmation sent to financial institution
 - Accrued revenue, energy settlements receivable, and revenue
 - Reviewed subsequent cash receipts
 - Accrued liabilities
 - Reviewed subsequent cash payments and invoices
 - Debt
 - Confirmation sent to lender
 - Financial statement note disclosures
 - Complete and without bias

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Required Board Communications

- The significant accounting policies adopted by SDCP throughout the year and period audited appeared appropriate and consistently applied.
- No alternative treatments of accounting principles for material items in the financial statements were discussed with management.

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Required Board Communications (continued)

Other required communications with those charged with governance:

- We did not propose any adjustments to the financial statements.
- We did not identify any significant or unusual transactions or applications of accounting principles where a lack of authoritative guidance exists.

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Required Board Communications (continued)

Other required communications with those charged with governance:

- There were no disagreements with management concerning the scope of our audits, the application of accounting principles, or the basis for management's judgements on any significant matters.
- We did not encounter any difficulties in dealing with management during the performance of our audits.

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Questions?

Brett Bradford: 707-577-1582

Jenna Blanchard: 707-577-1596



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Meeting Agenda

Item 8: Committee Member Announcements

Item 9: Adjournment



Finance and Risk Management Committee

Next Regular Meeting
TBD

