



## 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 March 31, 2021, 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. 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  
May 10, 2021

**SAN DIEGO COMMUNITY POWER**  
**STATEMENT OF NET POSITION**  
**As of March 31, 2021**

**ASSETS**

Current assets	
Cash and cash equivalents	\$ 828,824
Accrued revenue	298,472
Other receivables	870,956
Deposits	3,050,000
Total current assets	5,048,252
Noncurrent assets	
Restricted cash	7,500,000
Total assets	12,548,252

**LIABILITIES**

Current liabilities	
Accrued cost of energy	3,266,214
Accounts payable	196,451
Accrued payroll and benefits	56,172
Other accrued liabilities	100,000
Security deposits	1,581,000
Interest payable	105,738
Total current liabilities	5,305,574
Noncurrent liabilities	
Other noncurrent liabilities	582,176
Bank note payable	11,790,082
Loans payable	5,000,000
Total noncurrent liabilities	17,372,258
Total liabilities	22,677,832

**NET POSITION**

Unrestricted (deficit)	(10,129,580)
Total net position	\$ (10,129,580)

**SAN DIEGO COMMUNITY POWER**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**July 1, 2020 through March 31, 2021**

**OPERATING REVENUES**

Electricity sales, net	\$ 298,472
Sales for resale	1,944,390
Total operating revenues	<u>2,242,862</u>

**OPERATING EXPENSES**

Cost of energy	9,056,671
Contract services	1,508,052
Staff compensation	398,060
General and administration	226,943
Total operating expenses	<u>11,189,726</u>
Operating income (loss)	<u>(8,946,864)</u>

**NONOPERATING EXPENSES**

Interest and financing expense	112,606
Total nonoperating expenses	<u>112,606</u>

**CHANGE IN NET POSITION**

	(9,059,470)
Net position at beginning of period	<u>(1,070,110)</u>
Net position at end of period	<u>\$ (10,129,580)</u>

**SAN DIEGO COMMUNITY POWER  
STATEMENT OF CASH FLOWS  
July 1, 2020 through March 31, 2021**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts of supplier collateral	\$ 1,581,000
Other operating receipts	251,821
Payments to suppliers for electricity	(4,968,844)
Payments for goods and services	(1,864,524)
Payments to employees for services	(339,084)
Payments for deposits and collateral	<u>(2,950,000)</u>
Net cash provided (used) by operating activities	<u>(8,289,631)</u>

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

Proceeds from loans	10,800,000
Interest and related expense payments	<u>(20,527)</u>
Net cash provided (used) by non-capital financing activities	<u>10,779,473</u>

Net change in cash and cash equivalents	2,489,842
Cash and cash equivalents at beginning of period	<u>5,838,982</u>
Cash and cash equivalents at end of period	<u><u>\$ 8,328,824</u></u>

**Reconciliation to the Statement of Net Position**

Cash and cash equivalents (unrestricted)	828,824
Restricted cash	<u>7,500,000</u>
Cash and cash equivalents	<u><u>\$ 8,328,824</u></u>

**SAN DIEGO COMMUNITY POWER**  
**STATEMENT OF CASH FLOWS (continued)**  
**July 1, 2020 through March 31, 2021**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET  
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income (loss)	\$ (8,946,864)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities	
(Increase) decrease in:	
Accrued revenue	(298,472)
Other receivables	(870,956)
Prepaid expenses	25,000
Deposits	(2,950,000)
Increase (decrease) in:	
Accrued cost of electricity	3,266,214
Accounts payable	(133,592)
Accrued payroll and benefits	56,172
Other accrued liabilities	(18,133)
Supplier security deposits	1,581,000
Net cash provided (used) by operating activities	<u>\$ (8,289,631)</u>