



## 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 September 30, 2022, 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  
October 24, 2022

**SAN DIEGO COMMUNITY POWER**  
**STATEMENT OF NET POSITION**  
**As of September 30, 2022**

**ASSETS**

Current assets	
Cash and cash equivalents	\$ 31,373,037
Accounts receivable, net	99,556,788
Accrued revenue	55,080,366
Prepaid expenses	2,164,469
Other receivables	101,059
Deposits	<u>17,467,479</u>
Total current assets	205,743,198
Noncurrent assets	
Restricted cash	7,500,000
Deposits	<u>3,450,000</u>
Total noncurrent assets	<u>10,950,000</u>
Total assets	<u><u>216,693,198</u></u>

**LIABILITIES**

Current liabilities	
Accrued cost of energy	129,248,484
Accounts payable	379,326
Other accrued liabilities	1,835,844
State surcharges payable	571,045
Security deposits	624,000
Interest payable	48,578
Total current liabilities	<u>132,707,277</u>
Noncurrent liabilities	
Other noncurrent liabilities	517,741
Bank note payable	<u>27,020,082</u>
Total noncurrent liabilities	<u>27,537,823</u>
Total liabilities	<u><u>160,245,100</u></u>

**NET POSITION**

Restricted for collateral	2,500,000
Unrestricted	<u>53,948,098</u>
Total net position	<u><u>\$ 56,448,098</u></u>

**SAN DIEGO COMMUNITY POWER  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
Three Months Ended September 30, 2022**

**OPERATING REVENUES**

Electricity sales, net	\$ 286,784,450
Total operating revenues	<u>286,784,450</u>

**OPERATING EXPENSES**

Cost of energy	266,611,327
Contract services	3,894,003
Staff compensation	1,235,154
General and administration	902,904
Total operating expenses	<u>272,643,388</u>
Operating income (loss)	<u>14,141,062</u>

**NON-OPERATING REVENUES (EXPENSES)**

Investment income	25,233
Interest and financing expense	(249,149)
Nonoperating revenues (expenses)	<u>(223,916)</u>

**CHANGE IN NET POSITION**

Net position at beginning of period	13,917,146
Net position at end of period	<u>42,530,952</u>
	<u>\$ 56,448,098</u>

**SAN DIEGO COMMUNITY POWER**  
**STATEMENT OF CASH FLOWS**  
**Three Months Ended September 30, 2022**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$ 230,044,948
Other operating receipts	39,362
Payments to suppliers for electricity	(178,966,132)
Payments for goods and services	(4,043,829)
Payments to employees for services	(1,101,172)
Payments for deposits and collateral	(66,735,072)
Payments for state surcharges	(332,586)
Net cash provided (used) by operating activities	<u>(21,094,481)</u>

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

Proceeds from loans	13,680,000
Principal payments - loans	(18,000,000)
Principal payments - note	(5,000,000)
Interest and related expense payments	(314,433)
Net cash provided (used) by non-capital financing activities	<u>(9,634,433)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest income received	<u>25,233</u>
Net change in cash and cash equivalents	(30,703,681)
Cash and cash equivalents at beginning of period	<u>69,576,718</u>
Cash and cash equivalents at end of period	<u><u>\$ 38,873,037</u></u>

**Reconciliation to the Statement of Net Position**

Cash and cash equivalents (unrestricted)	\$ 31,373,037
Restricted cash	<u>7,500,000</u>
Cash and cash equivalents	<u><u>\$ 38,873,037</u></u>

**SAN DIEGO COMMUNITY POWER**  
**STATEMENT OF CASH FLOWS (continued)**  
**Three Months Ended September 30, 2022**

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

Operating income	\$ 14,141,062
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities	
Provision for uncollectible accounts	2,896,813
(Increase) decrease in:	
Accounts receivable	(52,066,611)
Accrued revenue	(8,140,751)
Other receivables	(101,059)
Prepaid expenses	2,296,839
Deposits	(11,226,422)
Increase (decrease) in:	
Accrued cost of electricity	72,016,979
Accounts payable	(245,628)
Other accrued liabilities	1,095,838
State surcharges payable	238,459
Supplier security deposits	(42,000,000)
Net cash provided (used) by operating activities	<u>\$ (21,094,481)</u>