



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 December 31, 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
January 25, 2023

**SAN DIEGO COMMUNITY POWER
STATEMENT OF NET POSITION
As of December 31, 2022**

ASSETS

Current assets	
Cash and cash equivalents	\$ 30,008,358
Accounts receivable, net of allowance	65,857,701
Accrued revenue	27,723,298
Prepaid expenses	5,389,148
Other receivables	5,609,776
Deposits	<u>15,197,511</u>
Total current assets	149,785,792
Noncurrent assets	
Restricted cash	7,500,000
Deposits	<u>4,005,000</u>
Total noncurrent assets	<u>11,505,000</u>
Total assets	<u><u>161,290,792</u></u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	78,198,334
Accounts payable	949,292
Other accrued liabilities	2,519,295
State surcharges payable	490,715
Security deposits	614,873
Interest payable	<u>113,411</u>
Total current liabilities	<u>82,885,920</u>
Noncurrent liabilities	
Other noncurrent liabilities	517,741
Bank note payable	<u>23,520,082</u>
Total noncurrent liabilities	<u>24,037,823</u>
Total liabilities	<u><u>106,923,743</u></u>

NET POSITION

Restricted for collateral	2,500,000
Unrestricted	<u>51,867,049</u>
Total net position	<u><u>\$ 54,367,049</u></u>

**SAN DIEGO COMMUNITY POWER
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Six Months Ended December 31, 2022**

OPERATING REVENUES

Electricity sales, net	\$ 446,495,436
Total operating revenues	<u>446,495,436</u>

OPERATING EXPENSES

Cost of energy	422,522,132
Contract services	7,230,341
Staff compensation	2,958,555
General and administration	1,316,179
Total operating expenses	<u>434,027,207</u>
Operating income (loss)	<u>12,468,229</u>

NON-OPERATING REVENUES (EXPENSES)

Investment income	58,833
Interest and financing expense	<u>(690,965)</u>
Nonoperating revenues (expenses)	<u>(632,132)</u>

CHANGE IN NET POSITION

	11,836,097
Net position at beginning of period	<u>42,530,952</u>
Net position at end of period	<u>\$ 54,367,049</u>

**SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS
Six Months Ended December 31, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 451,302,805
Other operating receipts	5,318,211
Payments to suppliers for electricity	(392,560,218)
Payments for goods and services	(6,757,919)
Payments to employees for services	(2,693,111)
Payments for deposits and collateral	(72,321,912)
Payments for state surcharges	(903,633)
Net cash provided (used) by operating activities	<u>(18,615,777)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Proceeds from loans	20,180,000
Principal payments - loans	(28,000,000)
Principal payments - note	(5,000,000)
Interest and related expense payments	(691,416)
Net cash provided (used) by non-capital financing activities	<u>(13,511,416)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>58,833</u>
Net change in cash and cash equivalents	(32,068,360)
Cash and cash equivalents at beginning of period	<u>69,576,718</u>
Cash and cash equivalents at end of period	<u><u>\$ 37,508,358</u></u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 30,008,358
Restricted cash	<u>7,500,000</u>
Cash and cash equivalents	<u><u>\$ 37,508,358</u></u>

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS (continued)
Six Months Ended December 31, 2022

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

Operating income	\$ 12,468,229
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities	
Provision for uncollectible accounts	4,510,055
(Increase) decrease in:	
Accounts receivable	(19,980,766)
Accrued revenue	19,216,317
Other receivables	(5,609,776)
Prepaid expenses	(927,840)
Deposits	(9,511,454)
Increase (decrease) in:	
Accrued cost of electricity	20,966,830
Accounts payable	324,337
Other accrued liabilities	1,779,289
State surcharges payable	158,129
Supplier security deposits	(42,009,127)
Net cash provided (used) by operating activities	<u><u>\$ (18,615,777)</u></u>