



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, 2023, 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
May 3, 2023

**SAN DIEGO COMMUNITY POWER
STATEMENT OF NET POSITION
As of March 31, 2023**

ASSETS

Current assets	
Cash and cash equivalents	\$ 42,073,974
Accounts receivable, net of allowance	79,307,931
Accrued revenue	42,204,985
Prepaid expenses	5,556,754
Other receivables	775,000
Deposits	<u>21,060,361</u>
Total current assets	190,979,005
Noncurrent assets	
Restricted cash	2,146,985
Deposits	<u>555,000</u>
Total noncurrent assets	<u>2,701,985</u>
Total assets	<u><u>193,680,990</u></u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	92,461,923
Accounts payable	975,286
Other accrued liabilities	2,802,307
State surcharges payable	504,888
Security deposits	729,000
Interest payable	<u>236,943</u>
Total current liabilities	<u>97,710,348</u>
Noncurrent liabilities	
Loan to member government	514,511
Bank note payable	<u>23,730,000</u>
Total noncurrent liabilities	<u>24,244,511</u>
Total liabilities	<u><u>121,954,859</u></u>

NET POSITION

Restricted for collateral	2,000,000
Unrestricted	<u>69,726,131</u>
Total net position	<u><u>\$ 71,726,131</u></u>

**SAN DIEGO COMMUNITY POWER
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Nine Months Ended March 31, 2023**

OPERATING REVENUES

Electricity sales, net	\$ 626,575,487
Total operating revenues	<u>626,575,487</u>

OPERATING EXPENSES

Cost of energy	578,671,540
Contract services	11,122,802
Staff compensation	4,672,004
Other operating expenses	2,097,025
Total operating expenses	<u>596,563,371</u>
Operating income (loss)	<u>30,012,116</u>

NON-OPERATING REVENUES (EXPENSES)

Investment income	322,359
Interest and financing expense	<u>(1,139,296)</u>
Nonoperating revenues (expenses)	<u>(816,937)</u>

CHANGE IN NET POSITION

Net position at beginning of period	29,195,179
Net position at end of period	<u>42,530,952</u>
	<u>\$ 71,726,131</u>

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS
Nine Months Ended March 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 603,955,827
Receipts of security deposits	56,936,328
Other operating receipts	10,332,595
Payments to suppliers for electricity	(555,230,510)
Payments for goods and services	(11,510,408)
Payments to employees for services	(4,385,673)
Payments for deposits and collateral	(110,755,631)
Payments of state surcharges	(1,394,349)
Net cash provided (used) by operating activities	(12,051,821)

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Proceeds from bank note payable	43,910,000
Principal payments - bank note payable	(56,520,082)
Interest and related expense payments	(1,016,215)
Net cash provided (used) by non-capital financing activities	(13,626,297)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	322,359
Net change in cash and cash equivalents	(25,355,759)
Cash and cash equivalents at beginning of period	69,576,718
Cash and cash equivalents at end of period	\$ 44,220,959

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 42,073,974
Restricted cash	2,146,985
Cash and cash equivalents	\$ 44,220,959

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS (continued)
Nine Months Ended March 31, 2023

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

Operating income	\$ 30,012,116
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities	
Provision for uncollectible accounts	6,329,045
(Increase) decrease in:	
Accounts receivable	(35,249,986)
Accrued revenue	4,734,630
Prepaid expenses	(1,095,446)
Deposits	(11,924,304)
Increase (decrease) in:	
Accrued cost of electricity	35,230,419
Accounts payable	350,332
Other accrued liabilities	2,059,071
State surcharges payable	172,302
Supplier security deposits	(41,895,000)
Net cash provided (used) by operating activities	<u>\$ (12,051,821)</u>