AGENDA

Regular Meeting
Finance and Risk Management Committee

December 3, 2026, 4 p.m.

Don L. Nay Port Administration Training Room
3165 Pacific Highway, San Diego, CA 92101

The meeting will be held in person at the above date, time, and location. Finance and Risk Management Committee (FRMC) members and members of the public can attend in person. Under certain circumstances, FRMC members may also attend and participate virtually in the meeting, pursuant to the Brown Act (Gov. Code § 54953). As a convenience, San Diego Community Power provides a Zoom teleconference option for members of the public to virtually observe and provide public comments at its meetings. Additional details on in-person and virtual public participation are below. Please note that in the event of a technical issue causing a disruption in the Zoom teleconference option, the meeting will continue unless otherwise required by law (such as when an FRMC member is virtually attending the meeting), pursuant to certain provisions of the Brown Act.

Note: Any member of the public may provide comments to the FRMC on any agenda item. When providing comments, it is requested that members of the public include their name and city of residence for the record. Members of the public are requested to address their comments to the FRMC as a whole through the chairperson. Comments may be provided in one of the following ways:

1. **Oral comments during the meeting.** Anyone attending in person who wishes to address the FRMC is asked to complete a speaker's card and present it to the clerk of the Board. To provide remote comments during the meeting, join the Zoom meeting by computer, mobile phone or dial-in number. When participating in a Zoom video teleconference by computer or mobile phone, use the "Raise Hand" feature. This will notify the moderator that a member of the public wishes to address the FRMC during a specific item on the agenda or during the non-agenda public comment period. Members of the public will not be shown on video but will be able to address the FRMC when called upon. If joining the meeting using the Zoom dial-in number, members of the public can raise their hand by pressing *9. Comments will be limited to three minutes.

2. **Written comments.** Written public comments must be submitted prior to the start of the meeting to ClerkOfTheBoard@SDCommunityPower.org. Members of the public are asked to indicate a specific agenda item when submitting comments. All written comments received prior to the meeting will be provided to the FRMC members. At the discretion of the chairperson, the first ten submitted comments shall be stated into the record of the meeting. Comments

read at the meeting will be limited to the first 400 words. Comments received after the start of the meeting will be collected, sent to the FRMC members, and become part of the public record.

If members of the public have any materials to be distributed to the FRMC, they should be sent to ClerkOfTheBoard@SDCommunityPower.org, who will distribute the information to FRMC members.

The public may participate using the following remote options:

Teleconference Meeting Webinar
https://sdcommunitypower-org.zoom.us/j/95148519712

Telephone (audio only): 669-900-6833 or 253-215-8782 | Webinar ID: 95148519712

WELCOME

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

LAND ACKNOWLEDGEMENT

ITEMS TO BE ADDED, WITHDRAWN OR REORDERED ON THE AGENDA

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

This is an opportunity for members of the public to address the FRMC on any items not on the agenda but within the jurisdiction of the FRMC. Members of the public may provide comments in any manner described above.

CONSENT CALENDAR

1. **Approve October 15, 2026, Meeting Minutes**
2. **Treasurer's Report for Two-Month Period Ending August 31, 2026**
3. **Recommend Board Adoption of Resolution, Appointing Chief Financial Officer, Tim Manglicmot as San Diego Community Power's Treasurer, and Authorize Execution of a Bond in the Amount of $1,000,000**
4. **Recommend Board Adoption of Resolution, Approving Unclaimed Property Policy**

REGULAR AGENDA

5. Fiscal Year End 2025-26 Financial Audit

Recommendation: Receive and file Fiscal Year End 2025-26 Financial Audit

6. Treasurer's Report and Quarterly Investment Update for Three-Month Period Ending September 30, 2026

Recommendation: Receive and File Treasurer's Report and Quarterly Investment Update for Period Ending September 30, 2026

7. Quarterly Risk Oversight Committee Report

Recommendation: Receive and File Quarterly Risk Oversight Committee Report

8. Proposed Emergency Disaster Customer Protections Policy

Recommendation: Recommend Board adoption of Resolution to approve the proposed Emergency Disaster Customer Protections Policy and provide feedback to staff

9. Update on SDG&E's 2027 Projected Rates

Recommendation: Receive and file an update on SDG&E's 2027 projected rates.

COMMITTEE MEMBER ANNOUNCEMENTS

FRMC members may briefly provide information to other members and the public. There is to be no discussion or action taken on comments made by FRMC members unless authorized by law.

ADJOURNMENT

The Finance and Risk Management Committee will adjourn until the next regular meeting scheduled for Thursday, January 21, 2027, at 4 p.m., at the City of La Mesa Council Chambers, 8130 Allison Avenue, La Mesa, CA.

COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT

Community Power committee meetings comply with the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, to participate in a public meeting may contact ClerkOfTheBoard@SDCommunityPower.org. Requests for disability-related modifications or accommodations require varying lead times and should be provided at least 72 hours in advance of the public meeting.

AVAILABILITY OF COMMITTEE DOCUMENTS

Copies of the agenda and related materials are available at Meetings and Agendas - San Diego Community Power. Late-arriving documents related to an agenda item are distributed to the committee members prior to or during the committee meeting and are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically from ClerkOfTheBoard@SDCommunityPower.org, or by mailing San Diego Community Power, Attn: Clerk of the Board, P.O. Box 12716, San Diego, CA 92112. The documents may also be posted on Community Power's website. Such public records are also available for inspection by contacting ClerkOfTheBoard@SDCommunityPower.org to arrange an appointment.

SAN DIEGO COMMUNITY POWER

FINANCE AND RISK MANAGEMENT COMMITTEE
Regular Meeting Minutes
October 15, 2026

City of Chula Vista
276 Fourth Avenue, Chula Vista, CA 91910

WELCOME

CALL TO ORDER

Chair Yamane called the Finance and Risk Management Committee meeting to order at 4:00 p.m.

ROLL CALL

PRESENT: Chair Yamane, City of National City; Vice Chair Suzuki, City of La Mesa; and Director Inzunza, City of Chula Vista

Absent: None

Staff Present: Acting Chief Executive Officer Clark; Chief Financial Officer/Treasurer Burlingame; General Counsel Tyagi; Senior Director of Finance and Risk Manglicmot; Associate Director of Finance: Capital Investments Plan Weisman; and Assistant Clerk of the Board Vences

PLEDGE OF ALLEGIANCE

Vice Chair Suzuki led the Pledge of Allegiance.

LAND ACKNOWLEDGEMENT

Chair Yamane acknowledged the Kumeyaay Nation and all the original stewards of the land.

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

None.

PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA

None.

CONSENT CALENDAR

1. Approve September 17, 2026, Meeting Minutes

2. Approve 2027 Finance and Risk Management (FRMC) Committee Meeting Schedule

There were no public comments on Consent Item Nos. 1-2.

Motioned by Director Inzunza and seconded by Vice Chair Suzuki to approve Consent Item Nos. 1-2. The motion carried 3/0 by Roll Call Vote as follows:

AYES:	Chair Yamane, Vice Chair Suzuki, and Director Inzunza
NOES:	None
ABSTAINED:	None
ABSENT:	None

REGULAR AGENDA

3. Fiscal Year End 2025-26 Financial Audit Progress Report Presentation

Ms. Burlingame introduced the item and turned it over to Mr. Kellin Gilbert and Ms. Alauna Rico, Sorren representatives, to present the Fiscal Year End 2025-26 Financial Audit Progress Report.

There were no public comments on Item No. 3.

After Committee member comments and questions, the Fiscal Year End 2025-26 Financial Audit Progress Report Presentation was received and filed.

4. Treasurer's Report for One-Month Period Ending July 31, 2026

Ms. Burlingame presented the Treasurer's Report for One-Month Period Ending July 31, 2026.

There were no public comments on Item No. 4.

After Committee member comments, the Treasurer's Report for One-Month Period Ending July 31, 2026, was received and filed.

5. Fiscal Year 2025-2026 Financial Year End Review

Messrs. Manglicmot and Weisman presented the Fiscal Year 2025-2026 Financial Year End Review.

There were no public comments on Item No. 5.

After Committee member comments, motioned by Vice Chair Suzuki and seconded by Director Inzunza to receive and file the Community Power Fiscal Year 2025-2026 Financial Year-End Review and reserve outlook and recommend Board approval of the designation of $115 Million Fiscal Year rate stabilization reserve deferral through the following action:

1. Recommend Board Adoption of a Resolution Amending the Fiscal Year 2025-2026 Operating Budget by approving a $1,000,000 budget-neutral transfer between Budget Level 2 categories from Professional Services to General & Administration and Debt Service.

The motion carried 3/0 by Roll Call Vote as follows:

AYES:	Chair Yamane, Vice Chair Suzuki, and Director Inzunza
NOES:	None
ABSTAINED:	None
ABSENT:	None

COMMITTEE MEMBER ANNOUNCEMENTS

Vice Chair Suzuki expressed appreciation to Community Power for taking part in the City of La Mesa's Mini Mesa's Civic Lab for 6th-8th graders. Mr. Clark commended the Finance Team for its efforts.

ADJOURNMENT

The Finance and Risk Management Committee adjourned at 4:45 p.m. to the next regular meeting scheduled for Thursday, December 3, 2026, at 4 pm.

_____

Sandra Vences
Assistant Clerk of the Board

SAN DIEGO COMMUNITY POWER
Staff Report – Item 2

To:	Finance and Risk Management Committee
From:	Timothy Manglicmot, Chief Financial Officer/Treasurer
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Treasurer's Report for Two-Month Period Ending August 31, 2026
Date:	December 3, 2026

Recommendation

Receive and File Treasurer's Report for Two-Month Period Ending August 31, 2026.

Background

San Diego Community Power (Community Power) prepares its accounting records on a full accrual basis under generally accepted accounting principles (GAAP) for governmental enterprise funds. This report presents preliminary, unaudited financial results for the two-month period ended August 31, 2026 — the second month of Fiscal Year (FY) 2026-27 — together with budgetary comparisons against the FY 2026-27 Operating Budget and Capital Investment Program (CIP) Budget adopted by the Board of Directors.

The Board adopted an Investment Policy on May 25, 2023, with subsequent revisions on June 27, 2024, and August 28, 2025, to ensure the safeguarding of principal, preservation of liquidity, generation of returns, and adherence to a high standard of fiduciary care. The policy requires regular reporting to the Finance and Risk Management Committee (FRMC) via the Treasurer's Report. As of August 31, 2026, the investment portfolio was compliant with the Community Power Investment Policy.

To enhance transparency, Community Power reports newly executed contracts between $50,000 and $150,000 in the Treasurer's Report, per the Delegated Contract Authority Policy. Monthly operational metrics are presented at Board meetings, and key risk metrics are shared during FRMC meetings as part of the Treasurer's Report.

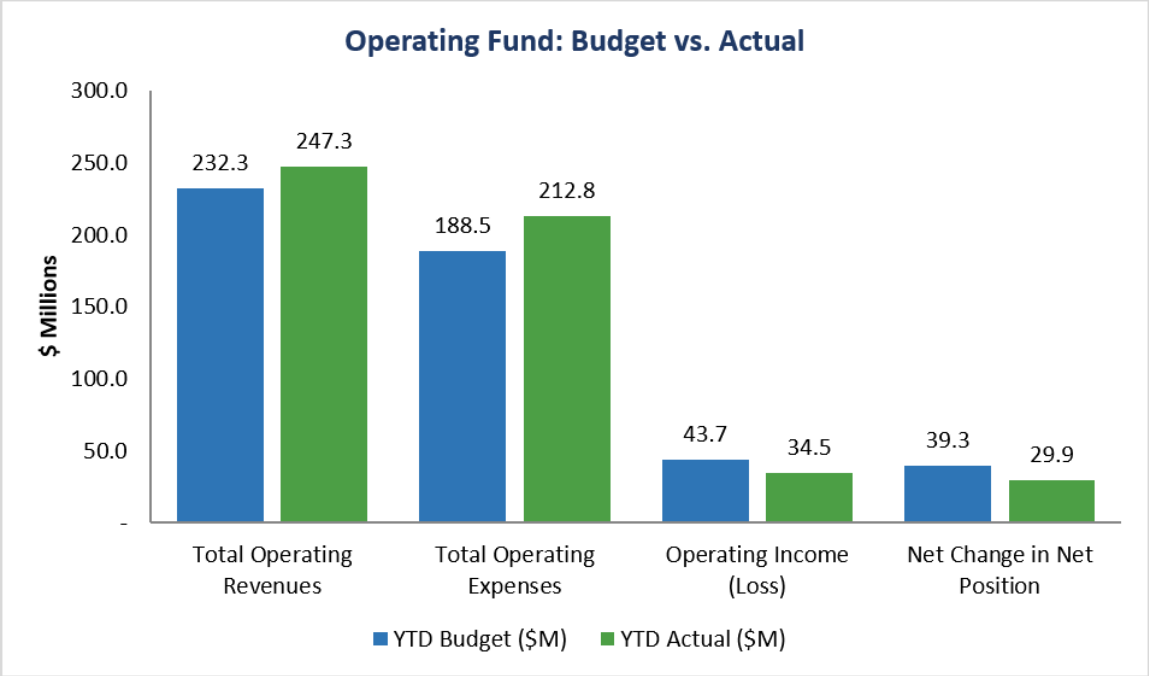
On June 25, 2026, the Community Power Board of Directors (Board) approved the Fiscal Year 2026-27 Operating Budget and Capital Investment Program Budget, which became effective July 1, 2026, and serves as the basis for comparison in this report.

Analysis and Discussion

Executive Summary – Key Financial Highlights (August 2026)

Community Power reported mixed financial results relative to budget in the first two months of FY 2026-27 (two months ended August 31, 2026). The Operating Fund reflects higher-than-budgeted revenues, driven primarily by higher summer energy sales, which were more than offset by higher-than-budgeted Cost of Energy, leaving Operating Income below budget.

- **Net Operating Revenues** of $247.3 million vs. $232.3 million budgeted — +$15.0 million (+6.5%), driven by higher gross ratepayer revenues ($251.1 million vs. $235.8 million budgeted) from summer energy usage as well as the expansion of Super-Off Peak hours resulting in lower-than-expected payments to Net Energy Metering customers.
- **Total Operating Expenses** of $212.8 million vs. $188.5 million budgeted — $24.2 million (+12.9%) over budget, driven primarily by Cost of Energy ($204.2 million actual vs. $179.6 million budget, +13.7%) tied to the same higher summer load.
- **Operating Income** of $34.5 million vs. $43.7 million budgeted — $9.2 million (21.1%) unfavorable, as the $24.2 million increase in operating expenses exceeded the $15.0 million increase in net operating revenues.
- **Change in net position** for the two months ended August 31, 2026 was $36.8 million (including $2.7 million of grant revenue), bringing total net position to $710.9 million as of August 31, 2026. On the budgetary basis, after the $8.0 million transfer to the Capital Investment Program, the net change was $29.9 million vs. $39.3 million budgeted.
- **Reserves and liquidity** (unrestricted cash + investments) grew to $730.1 million, equal to approximately 287 days cash on hand — above both the 225-day policy target and the 180-day minimum — and inclusive of the $115.0 million Rate Stabilization Reserve designated at FY 2025-26 year-end.



Operating Fund Analysis:

The table below presents the Operating Fund budgetary comparison schedule for the two-month period ended August 31, 2026, together with the FY 2026-27 Annual Budget and remaining budget capacity.

SAN DIEGO COMMUNITY POWER
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
Two Months Ended August 31, 2026

	Year-to-Date				Annual	
	Budget	Actual	Budget Variance (Under) Over	Actual/ Budget %	Budget	Budget Remaining
REVENUES AND OTHER SOURCES						
Gross Ratepayer Revenues	$ 235,827,000	$ 251,063,688	$ 15,236,688	106%	$ 932,813,000	$ 681,749,312
Less: Uncollectible Customer Accounts	(3,537,000)	(3,765,955)	(228,955)	106%	(13,992,000)	(10,226,045)
Other Income	-	11,429	11,429	na	-	(11,429)
Total Revenues and Other Sources	232,290,000	247,309,162	15,019,162		918,821,000	671,511,838
OPERATING EXPENSES						
Cost of Energy	179,567,000	204,242,283	24,675,283	114%	872,343,000	668,100,717
Professional Services and Consultants	3,960,000	3,335,135	(624,865)	84%	23,797,000	20,461,865
Personnel Costs	3,902,000	3,793,704	(108,296)	97%	23,413,000	19,619,296
Marketing and Outreach	394,000	337,762	(56,238)	86%	2,415,000	2,077,238
General & Administrative	724,000	1,081,775	357,775	149%	6,094,000	5,012,225
Total Operating Expenses	188,547,000	212,790,659	24,243,659		928,062,000	715,271,341
Operating Income (Loss)	43,743,000	34,518,503	(9,224,497)		(9,241,000)	(43,759,503)
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	3,850,000	3,631,965	(218,035)	94%	23,101,000	19,469,035
Interest and Related Expenses	(325,000)	(292,000)	33,000	90%	(1,949,000)	(1,657,000)
Transfer to Capital Investment Program	(8,000,000)	(8,000,000)	-	100%	(8,000,000)	-
Total Non-Operating Revenues (Expenses)	(4,475,000)	(4,660,035)	(185,035)		13,152,000	17,812,035
NET CHANGE	$ 39,268,000	$ 29,858,468	$ (9,409,532)		$ 3,911,000	$ (25,947,468)

Operating Fund Variance Analysis:

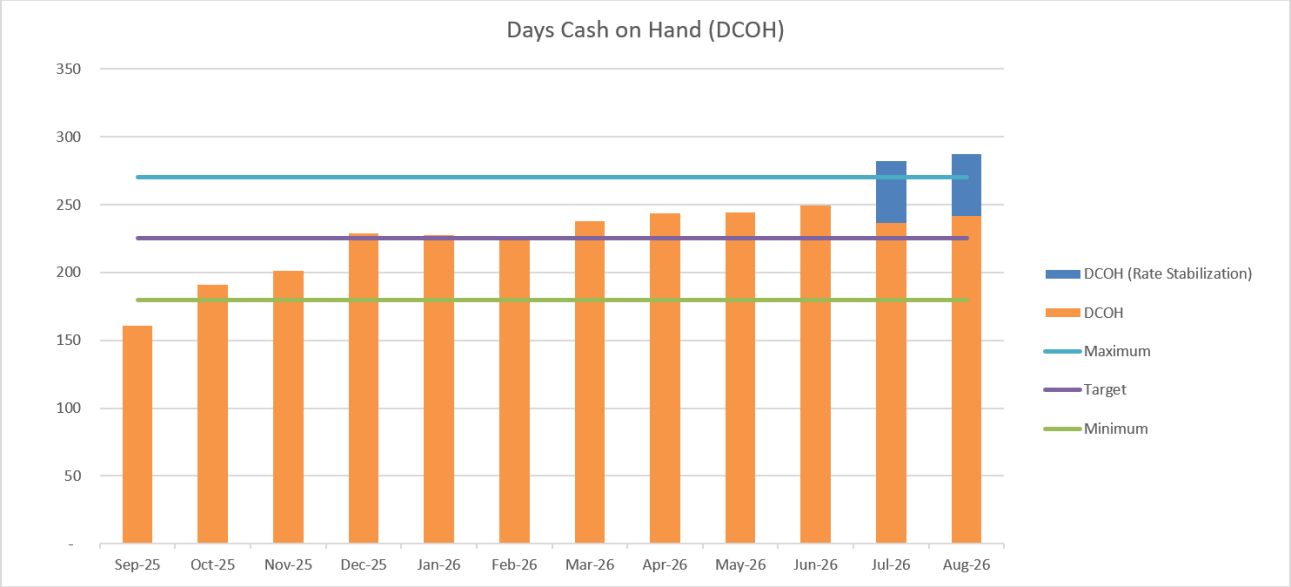
- **Gross Ratepayer Revenues** exceeded budget by $15.2 million (106% of budget), consistent with higher-than-forecast summer retail energy sales.
- **Cost of Energy** was $24.7 million over budget (114% of budget), moving together with the higher ratepayer sales volume.
- **Professional Services and Consultants** came in $0.6 million under budget (84%), reflecting underspend on Other Services and Data Management.
- **Personnel Costs** were essentially on budget (97%, $108,296 under), reflecting lower benefits costs offsetting higher salaries and payroll taxes.
- **General & Administrative** expenses were $357,775 over budget (149%), driven by Other G&A.
- **Investment Income** was $218,035 under budget (94%), reflecting a fair market value portfolio decline as a result of higher interest rates.

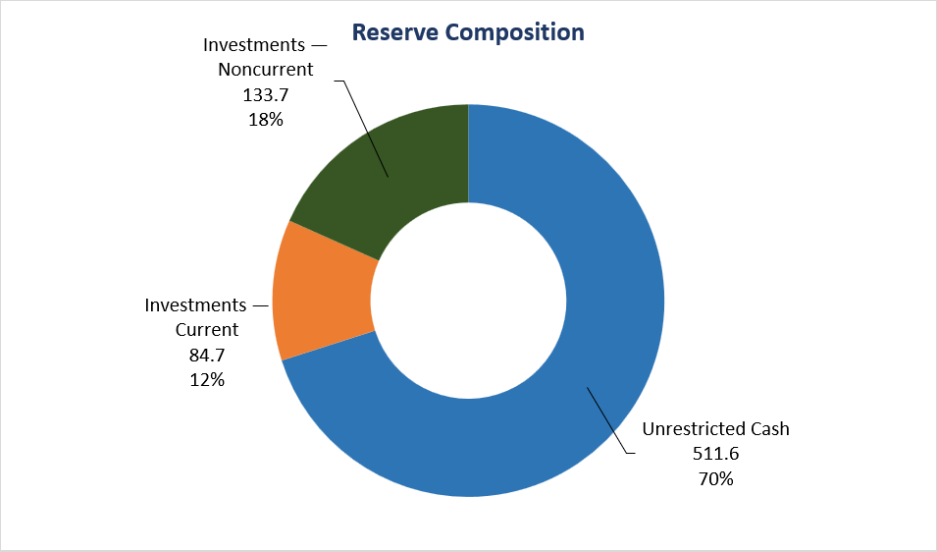
Financial Reserves:

Under Resolution 2025-23, Community Power's Financial Reserves Policy establishes a minimum reserve requirement of 180 days cash on hand (DCOH) and a reserve target of 225 DCOH, calculated against budgeted annual operating expenses. For FY 2026-27, budgeted annual operating expenses of $928.1 million equate to a minimum reserve requirement of approximately $457.7 million and a target of approximately $572.1 million.

As of August 31, 2026, Community Power's reserves — defined as unrestricted cash plus current and noncurrent investments — totaled $730.1 million, equal to approximately 287 days cash on hand. This exceeds both the policy minimum and target, reflecting the reserve base carried forward from FY 2025-26 year-end (including the $115.0 million Rate Stabilization Reserve designated by staff for FY 2025-26) plus $13.5 million of reserve growth during August.

Presented below are charts showing Community Power's rolling 12-month financial reserves relative to Reserve Policy thresholds, along with the composition of reserves between unrestricted cash and investments.





Investment Portfolio Report

Chandler Asset Management manages Community Power's investment portfolio. As of August 31, 2026, the market value of the portfolio was $145.5M and in compliance with Community Power's Investment Policy. Presented below is a summary of the investment portfolio's overall characteristics.

PORTFOLIO SUMMARY

CHANDLER ASSET MANAGEMENT

San Diego Community Power | Account #11293 | As of August 31, 2026

Portfolio Characteristics

Average Modified Duration	2.48
Average Coupon	3.87%
Average Purchase YTM	4.19%
Average Market YTM	4.55%
Average Credit Quality*	AA+
Average Final Maturity	2.98
Average Life	2.73

Account Summary

	End Values as of 07/31/2026	End Values as of 08/31/2026
Market Value	144,204,562.98	144,486,969.28
Accrued Interest	1,030,321.13	1,049,675.89
Total Market Value	145,234,884.12	145,536,645.17
Income Earned	456,041.79	525,620.98
Cont/WD	20,000,000.00	0.00
Par	147,030,148.61	147,484,942.22
Book Value	145,545,153.25	146,028,966.03
Cost Value	145,214,976.83	145,662,682.29

Top Issuers

United States	46.51%
Federal Home Loan Mortgage Corp	11.16%
Amazon.com, Inc.	1.28%
JPMorgan Chase & Co.	1.28%
WF Card Issuance Trust	1.28%
Chase Issuance Trust	1.19%
Toyota Auto Receivables Owner Trust	1.17%
Guardian Life Global Funding	1.02%

Contract Execution between $50,000 and $150,000

To ensure transparency and comply with Community Power's Non-Energy Procurement Policy, the table below lists contracts or amendments with not-to-exceed values between $50,000 and $150,000 that were executed under the CEO's authority between October 1 and October 31, 2026:

- Agreement 2026-40 with The County of Ventura
  - For participation in the California Energy Climate Collaboration administered by CivicWell. The agreement will support SDREN's participation in the program through December 31, 2026, with SDREN's portion of the funding not to exceed $133,938.57.

- Agreement 2026-37 with CPS HR Consulting
  - For as-needed executive recruitment services. The agreement will provide end-to-end executive recruitment support, including candidate sourcing, screening, assessment, and placement services for SDCP's executive hiring needs. The agreement term is three (3) years from the effective date, with a total not-to-exceed amount of $130,000.00.

Capital Investment Program Fund

The FY 2027-31 Capital Investment Plan contains all the individual capital projects, major equipment purchases, and major programs for the agency that are intended to span multiple years and that are considered one-time projects rather than recurring projects. Unspent funds are kept within the CIP and carried forward to the subsequent fiscal year, including a beginning fund balance of $26.2 million carried forward into FY2026-27. The CIP includes funding for local development feasibility studies, customer program pilot projects, member agency grants, community grants, a customer education platform, and other community-focused areas. The FY 2026-27 transfer from the operating fund total of $8 million, was fully transferred as of August 31, 2026, and includes $3.5 million to support Solar Battery Savings, $2.5 million to support Customer Pilot Programs, $1.5 million to support Community Power's

Flexible Load Strategy through the Distributed Energy Resources Management System Software Platform, $0.3 million to support Regional EV Load Analysis, and $0.02 million to support IT projects.

For the two months ended August 31, 2026, the CIP fund recorded $10.7 million in revenue and other sources (the $8.0 million transfer plus $2.7 million of SDREN grant revenue) and $4.2 million in program expenditures against an annual program expenditure budget of $98.9 million, increasing the fund balance by $6.5 million to $32.7 million.

CAPITAL INVESTMENT PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
Two Months Ended August 31, 2026

	Annual Budget	YTD Actual	Budget Remaining
REVENUES AND OTHER SOURCES			
Transfer in from Operating Fund	$ 8,000,000	$ 8,000,000	$ -
Grant Revenue - SDREN	63,117,654	2,734,644	(60,383,010)
Grant Revenue - DAC	300,000	-	(300,000)
Grant Revenue - EBD	1,400,000		(1,400,000)
Grant Revenue - CEC	693,611		(693,611)
Total Revenue and Other Sources	73,511,265	10,734,644	(62,776,621)
EXPENDITURES AND OTHER USES			
Program Expenditures	98,889,162	4,203,876	$ (94,685,286)
Net increase (decrease) in fund balance	(25,377,897)	6,530,767	
Fund balance at beginning of period	26,190,703	26,190,703	
Fund balance at end of period	$ 812,806	$ 32,721,470	

Fiscal Impact

N/A

Attachments

A: FY 2027 Year-to-Date Period Ended August 31, 2026, Financial Statements.

ITEM 2
ATTACHMENT A

MAHER
ACCOUNTANCY

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 August 31, 2026, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the two months 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 compiled financial statements. San Diego Community Power's annual audited financial statements include the note disclosures omitted from these 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 8, 2026

SAN DIEGO COMMUNITY POWER
STATEMENT OF NET POSITION
As of August 31, 2026

ASSETS	
Current assets	
Cash and cash equivalents - unrestricted	$ 511,633,551
Cash and cash equivalents - restricted	36,033,336
Accounts receivable, net of allowance	129,223,271
Accrued revenue	67,553,485
Prepaid expenses	5,093,961
Other receivables	6,807,178
Deposits	2,065,168
Investments	84,737,976
Total current assets	843,147,926
Noncurrent assets	
Cash and cash equivalents - restricted	16,691,230
Investments	133,747,121
Capital assets, net of depreciation and amortization	2,056,799
Total noncurrent assets	152,495,150
Total assets	995,643,076
LIABILITIES	
Current liabilities	
Accrued cost of electricity	100,791,550
Accounts payable	6,025,964
Other accrued liabilities	5,109,422
State surcharges payable	482,152
Deposits - energy suppliers	903,731
Lease liability	448,057
Advances from grantors	36,033,336
Total current liabilities	149,794,212
Noncurrent liabilities	
Deposits - energy suppliers	3,305,810
Advances from grantors	16,691,230
Total noncurrent liabilities	19,997,040
Total liabilities	169,791,252
DEFERRED INFLOWS OF RESOURCES	
Rate Stabilization Fund	115,000,000
NET POSITION	
Net investment in capital assets	1,227,491
Unrestricted	709,624,333
Total net position	$ 710,851,824

SAN DIEGO COMMUNITY POWER
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Two Months Ended August 31, 2026

OPERATING REVENUES	
Electricity sales, net	$ 247,297,733
Liquidated damages revenue	7,303
Other income	4,126
Total operating revenues	247,309,162
OPERATING EXPENSES	
Cost of electricity	204,242,283
Contract services	5,693,846
Staff compensation	3,793,704
Other operating expenses	3,000,278
Depreciation and amortization	140,225
Total operating expenses	216,870,336
Operating income	30,438,826
NONCAPITAL SUBSIDIES	
Grant revenue	2,734,644
Noncapital subsidies	2,734,644
Operating income and noncapital subsidies	33,173,470
NONOPERATING REVENUES (EXPENSES)	
Investment income	3,631,965
Interest expense	(5,827)
Nonoperating revenues (expenses), net	3,626,138
CHANGE IN NET POSITION	36,799,608
Net position at beginning of year	674,052,216
Net position at end of year	$ 710,851,824

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS
Two Months Ended August 31, 2026

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 212,638,335
Receipts of supplier security deposits	8,000
Receipts from wholesale sales and other operating activities	1,636,998
Payments to suppliers for electricity	(172,457,661)
Payments for other goods and services	(10,454,016)
Payments for staff compensation	(3,834,105)
Payments of state surcharges	(551,705)
Net cash provided by operating activities	26,985,846
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Receipts from grantors	7,517,473
Net cash provided (used) by noncapital financing activities	7,517,473
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Lease payments	(155,964)
Net cash used by capital and related financing activities	(155,964)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income received	4,552,899
Proceeds from investment sales and maturities of investments	483,045
Purchase of investments	(20,817,342)
Net cash provided (used) by investing activities	(15,781,398)
Net change in cash and cash equivalents	18,565,957
Cash and cash equivalents at beginning of year	545,792,160
Cash and cash equivalents at end of year	$ 564,358,117
Reconciliation to the Statement of Net Position	
Unrestricted cash and cash equivalents - current	$ 511,633,551
Restricted cash and cash equivalents - current	36,033,336
Restricted cash and cash equivalents - noncurrent	16,691,230
Cash and cash equivalents	$ 564,358,117
NONCASH INVESTING ACTIVITIES	
Change in fair value of investments	$ (712,853)
Change in interest income receivable	$ (208,081)
SUPPLEMENTAL CASH FLOW INFORMATION:	
Capital acquisitions included in accounts payable	$ 381,251

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS (continued)
Two Months Ended August 31, 2026

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income	$	30,438,826
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization expense		140,225
(Increase) decrease in:		
Accounts receivable, net		(24,219,323)
Accrued revenue		(10,922,226)
Prepaid expenses		1,512,926
Other receivables		683,970
Deposits		(373,009)
Increase (decrease) in:		
Accrued cost of electricity		30,480,675
Accounts payable		(936,940)
Other accrued liabilities		242,276
State surcharges payable		(69,554)
Deposits - energy suppliers		8,000
Net cash provided by operating activities	$	26,985,846

SAN DIEGO COMMUNITY POWER

Staff Report – Item 3

TO: Finance and Risk Management Committee

FROM: Jack Clark, Acting Chief Executive Officer

SUBJECT: Recommend Board Adoption of Resolution, (i) appointing Chief Financial Officer, Tim Manglicmot as San Diego Community Power's Treasurer, and Authorize Execution of a Bond in the Amount of $1,000,000

DATE: December 10, 2026

Recommendation

Recommend Board Adoption of Resolution, (i) appointing Tim Manglicmot as San Diego Community Power's (Community Power) Treasurer, and (ii) authorize the Treasurer to execute a bond in the amount of $1,000,000 with Community Power paying or reimbursing the Treasurer for the premium(s) of the bond.

Background

The Joint Exercise of Powers Act (Government Code § 6500, *et seq.*) and the Community Power Joint Powers Agreement (JPA Agreement) provide that Community Power will appoint a Treasurer who will perform the duties of Treasurer and Auditor as prescribed by law and the JPA Agreement.

Specifically, Section 5.4 of the JPA Agreement provides that the Board of Directors shall appoint a Treasurer who shall function as the combined offices of Treasurer and Auditor, and that the Board may transfer responsibilities of Treasurer to any qualified person as the law allows. Government Code section 6505.6 allows a joint powers agency to appoint one of its officers or employees to the positions of Treasurer and/or Auditor.

Additionally, Section 5.7 of the JPA Agreement requires an official bond in an amount to be fixed by the Board for officer(s)/person(s) who have charge of, handle, or have access to Community Power property.

Resolution No. 2021-3, passed and adopted at a meeting of the Board held on August 26, 2021, required the Treasurer to execute a surety bond in the amount of $100,000, explicitly citing Gov. Code 6505.1 and JPA section 5.7.

Analysis and Discussion

In connection with the appointment of Tim Manglicmot as Community Power's Chief Financial Officer, staff recommend that the Board appoint Mr. Manglicmot to also serve as Community Power's Treasurer. Appointing the Chief Financial Officer to the Treasurer role aligns the agency's fiscal oversight and statutory treasury responsibilities under a single accountable officer and provides continuity in the administration of Community Power's financial operations.

Because the Treasurer is entrusted with custody and oversight of Community Power's funds, a financial surety bond is required to protect the agency against potential loss resulting from fraud, dishonesty, or the failure to faithfully perform the duties of the office. The surety bond provides an added layer of financial protection and risk management consistent with the Treasurer's fiduciary responsibilities.

Given Community Power's significant growth since the approval of Resolution No. 2021-3, and given the JPA requirement that officers with access to Community Power property be bonded in an amount set by the Board, staff recommend increasing the Treasurer's official bond from $100,000 to $1,000,000 to better align with the agency's current scale and risk profile – Community Power's expense budget was $33.4M in 2021 and was $1.2B in 2025.

This update maintains compliance with JPA section 5.7 and the Board's established bonding framework while remaining practical and consistent with national public-sector precedent where statutes set bond sizing formulas and caps for treasurers and similar fiduciaries (examples below); it also complements—not replaces—our existing $2,000,000 commercial crime (employee dishonesty) coverage as an additional safeguard.

Staff anticipate obtaining a bond in the amount of $1.0 million, with estimated annual policy premiums ranging from 2.0% to 2.5% of the bond's face value, or approximately $20,000 to $25,000 annually.

By comparison, other government agencies post similar bonds that are scaled to growth metrics as follows:

- **The state of North Carolina** requires a faithful performance bond for the finance officer, and states that the bond amount may not be less than the greater of $50,000 or 10% of the unit's annually budgeted funds, up to $1,000,000.

- **The state of Texas** law provides a clear sizing model – a county treasurer bond must be in an amount "not to exceed one-half of one percent (0.5%) of the largest amount budgeted for general county maintenance and operations" for a fiscal year beginning during the prior term, with a minimum of $5,000 and maximum of $500,000.

- **The state of Wisconsin** requires municipal treasurer bonds tied to state/county taxes apportioned. If guaranteed by personal sureties, the bond is double the apportioned

taxes, capped at $500,000. If guaranteed solely by a surety company, the bond equals the apportioned taxes, capped at $250,000.

- **California Code 6505.1**, by comparison, is set by the board and does not contemplate hardwired formulas and caps for a bond.

By adopting the attached resolution, the Board would (i) formally appoint Tim Manglicmot as Community Power's Treasurer, to perform the functions of Treasurer and Auditor as provided by law and the JPA Agreement, and (ii) authorize the Treasurer to execute a bond in the amount of $1,000,000 with Community Power paying or reimbursing the Treasurer for the premium(s) of the bond.

Fiscal Impact

Staff estimate a $1.0 million surety bond will carry an annual premium of approximately 2.0% to 2.5% of the bond amount, or about $20,000 to $25,000 per year, and this expense would be incorporated into Community Power's administrative budget.

Attachment

A: Resolution, Appointing Tim Manglicmot as Community Power's Treasurer and authorizing execution of a bond

ITEM 3
ATTACHMENT A

RESOLUTION NO. 2026-__

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER APPOINTING TIM MANGLICMOT OF SAN DIEGO COMMUNITY POWER AS ITS TREASURER AND AUTHORIZING TREASURER TO EXECUTE A BOND IN AMOUNT OF $1,000,000.

THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

A. San Diego Community Power ("Community Power") is a joint powers agency formed pursuant to the Joint Exercise of Powers Act (Cal. Gov. Code § 6500 *et seq.*), California Public Utilities Code § 366.2, and a Joint Powers Agreement effective on October 1, 2019, and amended and restated December 16, 2021 ("JPA Agreement").

B. Section 5.1 of the JPA Agreement provides that the Board of Directors of Community Power (the "Board") shall appoint a Treasurer as provided in Government Code section 6505.5.

C. Section 5.4 of the JPA Agreement provides that the Board shall appoint a Treasurer who shall function as the combined offices of Treasurer and Auditor and shall strictly comply with the statutes related to the duties and responsibilities specified in Government Code Section 6505.5.

D. Section 5.4 of the JPA Agreement also provides that the Board may transfer the responsibilities of Treasurer to any qualified person or entity as the law allows at the time.

E. Government Code Section 6505.6 provides that an agency established by a joint powers agreement may appoint one of its officers or employees to the positions of treasurer and/or auditor.

F. The Board desires to appoint Tim Manglicmot, Community Power's Chief Financial Officer, as its Treasurer, and who shall perform the duties of Treasurer and Auditor pursuant to the JPA Agreement.

G. The Board further desires to authorize the Treasurer to execute a surety bond in the amount of $1,000,000 and for Community Power to pay or reimburse the Treasurer for the premium of the bond.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Diego Community Power as follows:

1. Tim Manglicmot, the Chief Financial Officer of Community Power, is hereby appointed as the Treasurer of Community Power. The Treasurer shall strictly comply with the statutes related to the duties and responsibilities specified in Government Code Section 6505.5, and the duties and responsibilities set forth in the JPA Agreement. The Treasurer shall serve under such rules as may be established by Community Power and shall perform such duties and have such powers as Community Power may determine from time to time. Except as otherwise provided by the Board in a separate action, Mr. Manglicmot will serve as Treasurer during the term of her employment as Chief Financial Officer.

2. Pursuant to Government Code section 6505.1 and Section 5.7 of the JPA Agreement, the Treasurer is hereby required to execute a surety bond in the amount of $1,000,000. The bond shall be obtained from any good and reliable surety company authorized to do business in the State of California, subject to the approval of the Acting Chief Executive Officer. Community Power shall pay or reimburse the Treasurer for the premium(s) of the bond.

3. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on December 10, 2026.

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Terra Lawson-Remer, Chair
San Diego Community Power

ATTEST:

_____
Maricela Hernandez, MMC/CPMC
Clerk of the Board/Secretary
San Diego Community Power

APPROVED AS TO FORM:

_____
Veera Tyagi, General Counsel
San Diego Community Power

SAN DIEGO COMMUNITY POWER
Staff Report – Item 4

To:	Finance and Risk Management Committee
From:	Timothy Manglicmot, Chief Financial Officer/Treasurer Kevin Bateman, Financial Analyst
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Recommend Board Adoption of Resolution Approving Unclaimed Property Policy
Date:	December 3, 2026

Recommendation

Recommend Board adoption of Resolution approving Unclaimed Property Policy.

Background

In the normal course of business, San Diego Community Power (Community Power) issues payments to customers, vendors, contractors, and energy suppliers, including Net Energy Metering (NEM) and Solar Billing Plan (SBP) true-up cash-out payments, program incentive payments, energy supplier deposit reimbursements, and other authorized disbursements. Some of these payments go uncashed, are returned as undeliverable, or otherwise remain unclaimed despite staff outreach. These funds are held as a liability, and Community Power does not currently have a Board-adopted policy governing how they are tracked, publicly noticed, and resolved. California Government Code Sections 50050 through 50057 allow local agencies, including joint powers authorities, to take ownership of money that has remained unclaimed for three years, after publishing notice and giving owners an opportunity to file a claim. Section 3.3 of Community Power's Joint Powers Authority Agreement grants Community Power the powers conferred upon it by law, and Section 3.2.12 authorizes it to adopt policies and procedures.

For purposes of this Policy, "unclaimed property" is limited to unclaimed funds held by Community Power, such as uncashed or returned payments, and is not intended to encompass other categories of unclaimed property under California law.

Analysis and Discussion

The proposed Policy establishes a consistent process for identifying, managing, reporting, and resolving unclaimed property under these Government Code sections. It complements Community Power's Financial Reserves Policy (Resolution No. 2025-20), Net Energy Metering Tariff and Net Billing Tariff (Resolution No. 2025-15), and Records Retention Policy (Resolution No. 2022-02).

Uncashed and returned payments are recorded in a liability account managed by the Finance Department, along with the payee's name, amount, issue date, and transaction details. Each year, the Finance Department will review items of $15 or more. Items more than three years old, measured from the issue date or the payee's last contact with Community Power, whichever is later, become eligible for further action under the proposed Policy. As permitted by Government Code Section 50055, items under $15, or of any amount if the depositor's name is unknown, that remain unclaimed for one year, or upon a court order, will be transferred to the general operating fund without newspaper notice. Because many unclaimed payments fall below $15, this provision will reduce publication costs and staff workload.

Before an item of $15 or more becomes Community Power's property, Community Power will publish a notice once a week for two consecutive weeks in a newspaper of general circulation. The notice will list the payee's name, the amount, the fund holding the money, claim instructions, and the date the money will become Community Power's property, which must be 45 to 60 days after the first publication. Any party of interest may file a claim before that date, providing their name, address, the amount claimed, the basis for the claim, and any other information Community Power requires. The Chief Financial Officer/Treasurer will accept or reject each claim under Government Code Sections 50052 and 50053.

Under the proposed Policy, money that remains unclaimed after the date stated in the notice becomes Community Power's property, and the Chief Financial Officer/Treasurer will transfer it to the general operating fund without further Board approval. Staff will report annually to the Board on the status of unclaimed property and the amounts transferred. This report will be provided through the annual financial audit and management report, which the Finance and Risk Management Committee also reviews, so no separate process is needed. Records of payments, notification attempts, publications, claims, and resolutions will be retained under the Records Retention Policy.

Fiscal Impact

Through December 3, 2026, staff estimate $242,499.83 in unclaimed property will have aged three years and will be available for public notice to potentially add to Community Power's

reserves. These unclaimed funds should they complete the required holding and notice periods can be transferred from a liability to the general operating fund, increasing reserves. Newspaper notices will result in minor advertising costs.

Strategic Plan

The Policy supports Community Power's commitment to sound financial stewardship, transparency, and accountability by establishing a clear, publicly noticed process for returning funds to their owners and accounting for long-standing unclaimed property.

Attachments

A: Resolution, Approving Unclaimed Property Policy
Exhibit A: Proposed Unclaimed Property Policy

ITEM 4
ATTACHMENT A

RESOLUTION NO. 2026-__

A RESOLUTION OF THE SAN DIEGO COMMUNITY POWER BOARD OF DIRECTORS, APPROVING UNCLAIMED PROPERTY POLICY.

THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

A. San Diego Community Power ("Community Power") is a joint powers agency formed pursuant to the Joint Exercise of Powers Act (Cal. Gov. Code § 6500 *et seq.*), California Public Utilities Code § 366.2, and a Joint Powers Agreement effective on October 1, 2019, and amended and restated December 16, 2021 ("JPA Agreement").

B. Section 3.2.12 of the JPA Agreement authorizes Community Power to adopt rules, regulations, policies, bylaws and procedures governing the operation of Community Power and Section 4.5.5 identifies setting policy as a duty of the Board.

C. California Government Code sections 50050 through 50057 establish procedures by which a local agency may identify, notice, process claims for, and take ownership of money that has remained unclaimed for the applicable statutory period.

D. In the normal course of business, Community Power issues payments to customers, vendors, contractors, energy suppliers, and other parties, some of which may remain uncashed, undeliverable, or otherwise unclaimed.

E. The proposed Unclaimed Property Policy establishes a uniform process for tracking unclaimed funds, providing public notice, reviewing claims, transferring eligible funds to the general operating fund, maintaining records, and reporting annually to the Board of Directors in accordance with applicable law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Diego Community Power as follows:

1. The Board of Directors hereby approves and adopts the Unclaimed Property Policy, attached hereto as Exhibit A and incorporated herein by this reference.

2. If any provision of this resolution, the attached policy, or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or application of the resolution or policy which can be given effect without the invalid provision or application, and to this end the provisions of this resolution and the policy are severable. The Board of Directors hereby declares that it would have adopted this resolution and the attached policy irrespective of the invalidity of any particular portion thereof .

3. This resolution shall take effect immediately upon its adoption and shall remain in effect unless amended or repealed by the Board of Directors.

PASSED, APPROVED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on December 10, 2026.

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Terra Lawson-Remer, Chair
Board of Directors
San Diego Community Power

ATTEST:

_____
Maricela Hernandez, MMC, CPMC
Clerk of the Board/Board Secretary
San Diego Community Power

APPROVED AS TO FORM:

_____
Veera Tyagi, General Counsel
San Diego Community Power

ITEM 4
EXHIBIT A

POLICY	UNCLAIMED PROPERTY POLICY	ORIGINAL ADOPTION DATE	DECEMBER 10, 2026
APPROVAL DATE	DECEMBER 10, 2026	RESOLUTION NO.	2026-__

PURPOSE AND SCOPE

The purpose of this Unclaimed Property Policy ("Policy") is to establish a process for identifying, managing, reporting and handling unclaimed monies in the custody of San Diego Community Power ("Community Power") in accordance with Sections 50050 to 50057 of the Government Code. This Policy applies where Community Power has issued payments but the money remains uncashed, undeliverable or otherwise unclaimed after three years, including customer-related payments such as Net Energy Metering (NEM) and Solar Billing Plan (SBP) true up Cash Out payments, program incentive payments, vendor or contractor payments, energy supplier deposit reimbursements, and any other authorized disbursements issued by the agency.

POLICY STATEMENT

A. Procedures

1. Identification and Tracking
   All uncashed or returned payments shall be tracked in a designated liability account. Community Power shall maintain records including payee name, amount, issue date, and transaction details.

2. Uncashed and Returned Payments Less than Fifteen Dollars ($15)
   Individual items of less than fifteen dollars ($15), or of any amount if the depositor's name is unknown, which remain unclaimed in the treasury or in the official custody of an officer of Community Power for a period of one year, or upon an order of the court, will be transferred to the general operating fund without the necessity of publication of a notice in a newspaper.

3. Uncashed and Returned Payments Fifteen Dollars ($15) or More
   Community Power's Finance Department will annually review uncashed and returned payments that are fifteen dollars ($15) or greater, and that are more than three years old, in the designated liability account, based on the payment issuance date or last contact with payee, whichever is later. Items more than three years old will be processed according to applicable law by taking the following steps:

   a. Publication of Notice. Community Power shall publish a notice once a week for two consecutive weeks in a newspaper of general circulation.

b. Notice contents. The notice shall include the payee's name, the total amount of money, the fund in which it is held, and a statement that it is proposed that the money will become the property of Community Power on a designated date not less than forty-five (45) days nor more than sixty (60) days after the first publication of the notice. The notice shall also include instructions for submitting a claim.

c. Claim. Any party of interest may file a claim with Community Power which must include the claimant's name, address, amount of claim, the ground on which the claim is founded, and any other information that may be required by Community Power. Any claim must be filed before the date the unclaimed money becomes the property of Community Power as provided in the notice. The Chief Financial Officer, who is also the Treasurer, shall either accept or reject the claim under Government Code Sections 50052-50053, as may be amended from time to time.

d. Final Disposition. If the money remains unclaimed after the date provided in the notice, the money becomes the property of Community Power, and the Chief Financial Officer shall move the money to the general operating fund.

4. Annual Processing Cycle and Reporting
Community Power staff shall provide an annual report to the Board of Directors regarding the status of unclaimed property and the amount transferred to the general operating fund and shall strive to align the report close to Community Power's fiscal year end.

B. Record-Keeping

Community Power shall maintain records of all unclaimed property, including payment details, notification attempts, publication records, and claims and resolutions. Records shall be retained in accordance with Community Power's records retention policy.

PRIOR VERSIONS

DATE	ACTION	RESOLUTION NO.	POLICY NO.
N/A	N/A	N/A	N/A

RELATED POLICIES
Financial Reserves Policy – Resolution No. 2025-20
Net Energy Metering Tariff – Resolution No. 2025-15
Net Billing Tariff – Resolution No. 2025-15
Records Retention Policy – Resolution No. 2022-02

SAN DIEGO COMMUNITY POWER
Staff Report – Item 5

To:	Finance and Risk Management Committee
From:	Timothy Manglicmot, Chief Financial Officer/Treasurer
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Fiscal Year End 2025-26 Financial Audit
Date:	December 3, 2026

Recommendation

Receive and file Fiscal Year End 2025-26 Financial Audit.

Background

On October 1, 2019, the Founding Members of San Diego Community Power (Community Power) adopted the Joint Powers Agreement (JPA) which was amended and restated on December 16, 2021.

Section 4.6.14 of the JPA specifies that the Board of Directors (Board) shall arrange for an annual independent fiscal audit.

Section 5.4 of the JPA specifies the Board shall appoint a Treasurer who shall function as the combined offices of Treasurer and Auditor and shall strictly comply with the statutes related to the duties and responsibilities specified in Section 6505.5 of the Government Code. The section further specifies that the Treasurer shall cause an independent audit(s) of the finances of Community Power to be made by a certified public accountant, or public accountant, in compliance with Section 6505 of the Government Code. Section 7.2.2 of the JPA additionally specifies that the Community Power Board shall contract with a certified public accountant to make an annual audit of the financial statements of Community Power, which shall be conducted in accordance with the requirements of Section 6505 of the Government Code.

On July 1, 2021, Community Power entered into a professional services agreement with Pisenti & Brinker to perform its annual audit for FY 2020-21.

On July 1, 2022, Community Power exercised an option in the professional services agreement to extend the term from June 30, 2022, to June 30, 2023, to conduct its annual audit for FY 2021-22.

Subsequently, on July 20, 2023, Community Power exercised an option in the professional services agreement to extend the term from June 30, 2023, to June 30, 2024, to conduct its annual audit for FY 2022-23.

Later, on July 30, 2024, Community Power issued an invitation to bid from qualified and experienced professionals to provide independent financial statement auditing and additional as-needed services such as assisting with the preparation and reporting of audit findings to Community Power's Board. As a result of the invitation to bid, on September 1, 2024, Community Power entered into a professional services agreement with Pisenti & Brinker to perform its annual audit for FY 2023-24.

Shortly thereafter, Pisenti & Brinker subsequently merged with several accounting firms to form Sorren CPAs P.C. (Sorren), and Sorren assumed all of Pisenti & Brinker's rights, duties, and obligations under the professional services agreement.

On September 23, 2025, Community Power executed Amendment No. 1 to the professional services agreement with Sorren to extend the professional services agreement by one year, from September 30, 2025, to September 30, 2026.

On July 22, 2026, Community Power executed the second option, Amendment No. 2, to the professional services agreement with Sorren to extend the existing agreement by an additional year, from September 30, 2026, to September 30, 2027. This second amendment to extend the contract term was necessary to conduct Community Power's FY 2025-26 annual audit.

Further, California Government Code Section 12410.6(b) requires periodic rotation of key audit partners for local agency audits. Under the statute, the lead audit partner, coordinating audit partner, or reviewing audit partner may not perform audit services for the same local agency for more than six consecutive fiscal years, helping to preserve auditor independence while allowing continuity of service by the audit firm. Community Power's lead audit partner rotated during the Fiscal Year End 2024-25 Financial Audit that was received and filed by the Board on November 20, 2025.

On October 15, 2026, Sorren provided the Finance and Risk Management Committee (FRMC) with a progress report presentation for the Fiscal Year End 2025-26 Financial Audit that provided the preliminary results. Subsequently, on October 22, 2026, the Board was similarly provided with a progress report presentation.

Sorren is a firm with extensive experience auditing CCA's throughout California, as well as other local government entities.

Analysis and Discussion

The independent audit resulted in a clean, unmodified opinion, concluding that San Diego Community Power's financial statements fairly present its financial position and results of operations in accordance with generally accepted accounting principles.

FY 2025-26 financial results were strong, with net position increasing $197.8 million to $674.1 million, operating cash flow of $306.3 million, and the establishment of a $115.0 million Rate Stabilization Reserve.

The auditors reported no significant disagreements with management, significant audit difficulties, or unusual transactions, and identified no material concerns with management's significant accounting estimates.

Sorren will provide a presentation summarizing the full financial audit report for FY 2025-26 to be a receive and file item with the Finance and Risk Management Committee.

Fiscal Impact

There is no budgetary impact associated with this action. The FY 2025-26 financial audit is part of Community Power's regular annual financial reporting process.

Strategic Plan

The FY 2025-26 financial audit supports Community Power's Financial Stability strategic goal by providing independent assurance over financial reporting, reinforcing transparency and accountability, and identifying opportunities to strengthen financial controls and policies. These efforts promote long-term fiscal sustainability and support the agency's objective to meet or exceed financial-management best practices.

Attachments

A: Audited Financial Statements for Fiscal Year Ended June 30, 2026
B: Auditor's Report to the Board / Required Communications to Those Charged with Governance

ITEM 5
ATTACHMENT A



FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2026 & 2025

WITH REPORT OF

INDEPENDENT AUDITORS

TABLE OF CONTENTS

Independent Auditor's Report ……..... 1

Management's Discussion and Analysis ……... 4

Basic Financial Statements:

Statements of Net Position …… 10

Statements of Revenues, Expenses and Changes in Net Position …..... 11

Statements of Cash Flows ……. 12

Notes to the Basic Financial Statements …… 14

Independent Auditor's Report

To the Board of Directors
San Diego Community Power

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of San Diego Community Power (Community Power), as of and for the years ended June 30, 2026 and 2025, and the related notes to the financial statements, which collectively comprise Community Power's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Community Power, as of June 30, 2026 and 2025, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Community Power and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Power's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

3562 Round Barn Cir, #200, Santa Rosa, CA 95403
Ph: (707) 542-3343
sorren.com

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Power's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Power's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Independent Auditor's Report (continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Sorren CPAs P.C.

Santa Rosa, California
November 17, 2026

SAN DIEGO COMMUNITY POWER
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2026 AND 2025

The purpose of management's discussion and analysis (MD&A) is to help stakeholders and other readers understand what the financial statements and notes in this report say about San Diego Community Power's (Community Power) financial health and why it has changed since last year. It contains information drawn from other parts of the report, accompanied by explanations informed by the finance staff's knowledge of Community Power's finances. Community Power's fiscal year runs from July 1 through June 30.

If you have questions about this report or require further information, please contact Community Power at customerservice@sdcommunitypower.org

Overview of the Financial Statements

Community Power's financial report contains basic financial statements:

- The *Statements of Net Position* include all of Community Power's assets, liabilities, deferred inflows of resources and net position and provide information about the nature and amounts of resources and obligations at a specific point in time.

- The *Statements of Revenues, Expenses, and Changes in Net Position* report all of Community Power's revenue and expenses for the years shown.

- The *Statements of Cash Flows* report the cash provided and used by operating activities, as well as other sources and uses, such as noncapital financing activities.

- The notes to the Basic Financial Statements provide additional details and information related to the basic financial statements.

Financial Summary

COMMUNITY POWER'S NET POSITION

	2026	2025	2024
Current assets	$ 789,230,573	$ 547,449,994	$ 533,740,155
Noncurrent assets:			
Other noncurrent assets	133,058,722	70,552,811	1,147,000
Capital assets, net	1,815,773	1,317,542	1,258,843
Total noncurrent assets	134,874,495	71,870,353	2,405,843
Total assets	**924,105,068**	**619,320,347**	**536,145,998**
Current liabilities	116,563,068	135,046,542	159,813,660
Noncurrent liabilities	18,489,785	8,041,641	949,956
Total liabilities	**135,052,853**	**143,088,183**	**160,763,616**
Deferred inflows of resources	**115,000,000**	**-**	**-**
Net position			
Net Investment in capital assets	1,217,580	-	-
Restricted for security collateral	500,000	1,147,000	1,647,000
Unrestricted	672,334,635	475,085,164	373,735,382
Total net position	**$ 674,052,215**	**$ 476,232,164**	**$ 375,382,382**

As of June 30, 2026, Community Power's total net position was approximately $674,052,000, an increase of $197,800,000 compared with June 30, 2025. Most of the increase in net position was concentrated in increases in cash, cash equivalents and investments, as a result of Community Power's operating surplus discussed in the following sections.

COMMUNITY POWER'S CHANGES IN NET POSITION

	2026	2025	2024
Operating revenues	$ 1,110,757,158	$ 1,241,251,729	$ 1,264,369,520
Nonoperating revenues	28,996,031	15,247,490	9,384,873
Total income	**1,139,753,189**	**1,256,499,219**	**1,273,754,393**
Operating expenses	941,762,041	1,155,213,375	1,082,692,389
Nonoperating expenses	171,097	436,062	1,691,953
Total expenses	**941,933,138**	**1,155,649,437**	**1,084,384,342**
Change in net position	**$ 197,820,051**	**$ 100,849,782**	**$ 189,370,051**

Total income was fairly steady during the fiscal years, after taking into account the $115,000,000 voluntary deferral into the Rate Stabilization Reserve. See the following section for a detailed discussion.

Detailed Analysis

Total current assets increased significantly year-over-year, reflecting growth in cash balances and partially offset by a decline in receivables. Unrestricted cash and cash equivalents totaled approximately $497,350,000 at June 30, 2026, compared to $292,772,000 in the prior year. Restricted cash increased to $33,258,000 from $25,756,000, due to the receipt of grants not expended by June 30, 2026. From June 30, 2025 to June 30, 2026, accounts receivable decreased from $116,027,000 to $105,004,000, and accrued revenue declined from $72,742,000 to $56,631,000. Both declines are primarily due to customer payment pattern fluctuations and price decreases.

Included in cash and investments is $115,000,000 held in the Rate Stabilization Reserve, which Community Power uses to defer revenue to future years to allow Community Power to mitigate potential future volatility in energy procurement costs and maintain stable customer rates.

A notable change in 2025 was the initial recognition of $69,906,000 in noncurrent investments, reflecting management's decision to invest funds in instruments expected to be held for more than one year. The increase in noncurrent investments in 2026 primarily reflects growth in funds available for investment and management's continued diversification of the investment portfolio across a broader range of permitted investment types and maturities.

Capital assets are reported net of depreciation and amortization. See Note 5 to the basic financial statements for a detail of changes for fiscal years 2026 and 2025. Capital assets held by Community Power include furniture and equipment, software and intangible right-of-use lease assets.

The largest component of current liabilities remains the accrued cost of electricity, which decreased to $70,311,000 from $102,447,000 in 2025. The decrease primarily reflects payment timing and energy procurement terms. In fiscal year 2025, delays in receiving certain supplier invoices contributed to a higher accrued liability at year-end. Accounts payable and other accrued liabilities were stable. Advances from grantors represent unspent San Diego Regional Energy Network (SDREN) grant funds received during the year. Noncurrent liabilities increased from 2025 to 2026 primarily as a result of increased advances from grantors. SDREN funding is received according to a predetermined multi-year payment schedule, while expenditures are recognized as program activities are implemented and costs are incurred. Although SDREN program activity and expenditures continued to increase during 2026, grant funding received to date continued to exceed cumulative program expenditures, resulting in a higher balance of unspent grant funds at year-end.

Detailed Analysis (continued)

From 2024 to 2025, revenues were relatively flat because a March 2025 rate increase was largely offset by the lower rate environment in place at the beginning of the year. In 2026, reported operating revenues decreased from $1,241,000,000 to $1,111,000,000, primarily due to a $115,000,000 rate stabilization deferral recorded during the year. Excluding the effect of this deferral, revenues from customer energy sales remained relatively consistent with the prior year, reflecting generally stable overall sales activity.

Investment income increased from 2025 to 2026 primarily due to an increase in invested assets and higher rates of return. The increase in rates of return was attributable to the diversification of the investment portfolio into higher-yielding debt instruments.

Operating expenses continued to be primarily driven by the cost of electricity, which represents Community Power's largest operating expense. The cost of electricity increased from 2024 to 2025 by approximately $53,992,000, or 5.2%, primarily due to rising costs in the resource adequacy market and the pricing of certain contracts executed to comply with the State's Renewable Portfolio Standards. From 2025 to 2026, the cost of electricity decreased by approximately $220,769,000, or 20%, primarily reflecting favorable energy market conditions and lower power supply costs during the year. Community Power continues to procure energy through a combination of short- and long-term contractual arrangements, including renewable energy, energy storage, and resource adequacy products, which are subject to changing market conditions.

Other operating expenses continued to reflect investments in personnel, customer programs, and implementation of regional energy initiatives. During fiscal year 2026, Community Power expanded administration of the SDREN and continued development of customer programs.

Significant Capital Asset and Long-Term Financing Activity

Community Power does not own assets used for electric generation or distribution. Capital assets represent office equipment, such as computers, furniture, software and right-of-use assets related to Community Power's office lease.

During fiscal year 2024, Community Power repaid its bank note of $35,730,000, reducing its outstanding financing debt to $0. Community Power borrowed $19,000,000 and $55,500,000 in fiscal years 2026 and 2025, respectively, and repaid the balances in full in the same fiscal year.

Currently Known Facts, Decisions, or Conditions

Community Power continues to operate in an evolving California energy market characterized by changing energy supply conditions, resource adequacy requirements, volatility in wholesale electricity markets, and changes in the Power Charge Indifference Adjustment (PCIA). Changes in Market Price Benchmarks used in determining the PCIA may affect Community Power's future rate competitiveness and financial results. Costs associated with resource adequacy procurement, renewable energy compliance, and long-term reliability planning also remain important drivers of future rates and operating results.

To strengthen its ability to manage these financial risks, Community Power continues to build and maintain financial reserves. In December 2025, the Board of Directors revised its Financial Reserves Policy to establish a minimum reserve level of 180 days cash on hand, a target of 225 days, and a maximum of 270 days. The policy also permits reserves between the target and maximum levels to be designated for rate stabilization purposes. In March 2026, the Board adopted a Rate Stabilization Reserve framework intended to mitigate the financial effects of future electricity procurement cost volatility and support greater stability in customer rates. These policies are intended to provide financial flexibility during periods of unfavorable market conditions while supporting Community Power's long-term financial sustainability.

Community Power continues to manage its exposure to energy market volatility through a diversified procurement portfolio, including long-term power purchase and energy storage agreements. Community Power has executed 17 long-term power purchase and energy storage agreements, with approximately 1,670 megawatts of renewable generation and more than 2,000 megawatts of energy storage expected to become operational between 2026 and 2029. These resources are intended to provide greater long-term cost certainty and reduce exposure to short-term energy and resource adequacy markets while supporting compliance with state reliability and clean energy requirements.

Federal policy developments may also affect the cost and development timelines of renewable energy and energy storage projects throughout California and the western United States. Changes to federal tax incentives, trade policies, equipment supply chains, or financing conditions could influence the economics of future energy projects and market prices. Management continues to evaluate these developments and incorporate potential impacts into long-term financial and procurement planning.

Community Power's customer base may also expand in future periods. The City of Coronado has expressed its intent to join Community Power, which, if completed, would expand Community Power's service territory and customer base.

Currently Known Facts, Decisions, or Conditions (continued)

Community Power continues to administer the SDREN program, which provides energy efficiency programs funded through the California Public Utilities Commission. SDREN activities are expected to continue expanding as previously awarded grant funding is used to implement programs throughout the region.

Community Power has also identified approximately $344,300,000 of planned strategic investments through its Fiscal Year 2026–2030 Capital Investment Plan. Planned investments include customer programs, distributed energy resources, and other initiatives intended to manage energy usage and reduce future energy procurement and resource adequacy costs.

BASIC FINANCIAL STATEMENTS

SAN DIEGO COMMUNITY POWER
STATEMENTS OF NET POSITION
JUNE 30, 2026 AND 2025

	2026	2025
ASSETS		
Current assets		
Cash and cash equivalents - unrestricted	$ 497,350,424	$ 292,771,532
Cash and cash equivalents - restricted	33,257,761	25,755,714
Accounts receivable, net of allowance	105,003,948	116,027,223
Accrued revenue	56,631,259	72,742,359
Prepaid expenses	6,606,887	23,802,135
Other receivables	7,699,229	4,099,991
Deposits	1,692,159	11,094,211
Investments	80,988,906	1,156,829
Total current assets	789,230,573	547,449,994
Noncurrent assets		
Cash and cash equivalents - restricted	15,183,975	647,000
Investments	117,874,747	69,905,811
Capital assets, net of depreciation and amortization	1,815,773	1,317,542
Total noncurrent assets	134,874,495	71,870,353
Total assets	924,105,068	619,320,347
LIABILITIES		
Current liabilities		
Accrued cost of electricity	70,310,875	102,447,166
Accounts payable	6,581,656	3,565,972
Other accrued liabilities	4,867,146	2,159,955
State surcharges payable	551,706	535,146
Deposits - energy suppliers	895,731	228,731
Lease liability	598,193	853,858
Advances from grantors	32,757,761	25,255,714
Total current liabilities	116,563,068	135,046,542
Noncurrent liabilities		
Lease liability	-	598,191
Deposits - energy suppliers	3,305,810	7,443,450
Advances from grantors	15,183,975	-
Total noncurrent liabilities	18,489,785	8,041,641
Total liabilities	135,052,853	143,088,183
DEFERRED INFLOWS OF RESOURCES		
Rate Stabilization Reserve	115,000,000	-
NET POSITION		
Net investment in capital assets	1,217,580	-
Restricted for security collateral	500,000	1,147,000
Unrestricted	672,334,635	475,085,164
Total net position	$ 674,052,215	$ 476,232,164

The accompanying notes are an integral part of these financial statements.

SAN DIEGO COMMUNITY POWER
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
OPERATING REVENUES		
Electricity sales, net	$ 1,222,642,099	$ 1,239,973,471
Rate Stabilization Reserve transfer	(115,000,000)	-
Liquidated damages revenue	2,348,023	-
Other income	767,036	1,278,258
Total operating revenues	1,110,757,158	1,241,251,729
OPERATING EXPENSES		
Cost of electricity	880,776,239	1,101,545,238
Contract services	26,044,160	19,487,406
Staff compensation	20,903,693	17,159,242
Other operating expenses	13,152,155	16,295,134
Depreciation and amortization	885,794	726,355
Total operating expenses	941,762,041	1,155,213,375
Operating income	168,995,117	86,038,354
NONCAPITAL SUBSIDIES		
Grant revenue	9,864,177	1,780,217
Operating income and noncapital subsidies	178,859,294	87,818,571
NONOPERATING REVENUES (EXPENSES)		
Investment income	19,131,854	13,467,273
Interest expense	(171,097)	(436,062)
Nonoperating revenues (expenses), net	18,960,757	13,031,211
CHANGE IN NET POSITION	197,820,051	100,849,782
Net position at beginning of year	476,232,164	375,382,382
Net position at end of year	$ 674,052,215	$ 476,232,164

The accompanying notes are an integral part of these financial statements.

SAN DIEGO COMMUNITY POWER
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$ 1,253,224,032	$ 1,233,997,068
Receipts of supplier security deposits	29,860,990	15,196,186
Receipts from wholesale sales and other operating activities	10,772,540	13,235,888
Payments to suppliers for electricity	(923,064,362)	(1,155,287,321)
Payments for other goods and services	(37,250,599)	(35,849,830)
Payments for deposits and collateral	(5,380,351)	(1,984,371)
Payments for staff compensation	(19,482,535)	(17,174,536)
Payments of state surcharges	(2,370,998)	(2,411,387)
Net cash provided by operating activities	306,308,717	49,721,697
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from bank note	19,000,000	55,500,000
Receipts from grantors	32,550,198	27,035,931
Principal payments - bank note	(19,000,000)	(55,500,000)
Interest payments	(89,170)	(393,962)
Net cash provided by noncapital financing activities	32,461,028	26,641,969
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Lease payments	(935,784)	(643,272)
Purchases of capital assets	(1,384,024)	-
Net cash used by capital and related financing activities	(2,319,808)	(643,272)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income received	18,165,013	11,828,321
Proceeds from investment sales and maturities of investments	15,046,247	3,195,096
Purchase of investments	(143,043,283)	(73,011,675)
Net cash used by investing activities	(109,832,023)	(57,988,258)
Net change in cash and cash equivalents	226,617,914	17,732,136
Cash and cash equivalents at beginning of year	319,174,246	301,442,110
Cash and cash equivalents at end of year	$ 545,792,160	$ 319,174,246
Reconciliation to the Statements of Net Position		
Unrestricted cash and cash equivalents - current	$ 497,350,424	$ 292,771,532
Restricted cash and cash equivalents - current	33,257,761	25,755,714
Restricted cash and cash equivalents - noncurrent	15,183,975	647,000
Cash and cash equivalents	$ 545,792,160	$ 319,174,246
NONCASH INVESTING ACTIVITIES		
Change in fair value of investments	$ (196,023)	$ 1,638,952
Change in interest income receivable	$ 1,162,864	$ 392,891
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of lease asset	$ -	$ 1,284,053

The accompanying notes are an integral part of these financial statements.

SAN DIEGO COMMUNITY POWER
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2026 AND 2025

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2026	2025
Operating income	$ 168,995,117	$ 86,038,354
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization expense	885,794	726,355
(Increase) decrease in:		
Accounts receivable, net	11,023,275	(12,515,058)
Accrued revenue	16,111,100	4,121,064
Prepaid expenses	17,195,248	11,216,265
Other receivables	(2,436,374)	2,181,758
Deposits	9,402,052	1,067,988
Increase (decrease) in:		
Accrued cost of electricity	(31,891,291)	(45,914,150)
Accounts payable	2,770,685	(1,196,904)
Other accrued liabilities	2,707,191	996,640
State surcharges payable	16,560	6,204
Deposits - energy suppliers	(3,470,640)	2,993,181
Rate Stabilization Reserve	115,000,000	-
Net cash provided by operating activities	$ 306,308,717	$ 49,721,697

The accompanying notes are an integral part of these financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

San Diego Community Power (Community Power) is a California Joint Powers Authority created on October 1, 2019. As of June 30, 2026, parties to its Joint Powers Agreement (JPA) consist of the following local governments:

County	Cities	
San Diego (Unincorporated)	Chula Vista	La Mesa
	Encinitas	National City
	Imperial Beach	San Diego

Community Power is separate from and derives no financial support from its members. Community Power is governed by a Board of Directors whose membership is composed of elected officials or other representatives of the member governments.

The core function of Community Power is to provide electric service that includes the use of renewable sources under the Community Choice Aggregation Program under California Public Utilities Code Section 366.2.

Community Power began its energy delivery operations in March 2021. Electricity is acquired from commercial suppliers and delivered through existing physical infrastructure and equipment managed by San Diego Gas and Electric.

BASIS OF ACCOUNTING

Community Power's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements.

Community Power's operations are accounted for as a governmental enterprise fund and are reported using the economic resources measurement focus and the accrual basis of accounting – similar to business enterprises. Accordingly, revenues are recognized when they are earned, and expenses are recognized at the time related liabilities are incurred. Enterprise fund-type operating statements present increases (revenues) and decreases (expenses) in total net position. Reported net position is segregated into three categories, if applicable – net investment in capital assets, restricted and unrestricted.

When both restricted and unrestricted resources are available for use, it is Community Power's policy to use restricted resources first, then unrestricted resources as they are needed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CASH AND CASH EQUIVALENTS

For the purpose of the Statements of Cash Flows, Community Power defines cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with an original maturity of three months or less. The Statements of Net Position presents restricted cash balances separately. Restricted cash reported on the Statements of Net Position includes advanced funding from grantors, collateral related to a bank line of credit, as well as a required minimum balance to be maintained in one of its bank accounts.

INVESTMENTS

Investments are stated at fair value based on prices listed on a national exchange for debt securities and by the Local Agency Fund (LAIF) for an investment pool. Investments with a maturity of less than one year are shown as current assets in the Statements of Net Position. Investments with a maturity of one year or more are shown as noncurrent assets in the Statements of Net Position.

Community Power's investment policy permits the following types of investments:

Deposits at banks	Money market funds
Local Agency Investment Fund	Commercial paper
Federal agency securities	Medium-term notes
Bankers' acceptances	Pass-through securities
Negotiable certificates of deposits	Municipal securities
Placement service deposits	Supranationals

ACCOUNTS RECEIVABLE

Accounts receivable represents amounts billed to retail customers for electricity delivered through the end of the fiscal year that remain uncollected.

ACCRUED REVENUE

Accrued revenue reflects the estimated value of electricity delivered to customers during the reporting period for which invoices had not been issued by the end of the fiscal year.

OTHER RECEIVABLES

Other receivables primarily consist of amounts due from wholesale energy sales, accrued interest income, and other miscellaneous receivables.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

PREPAID EXPENSES

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid expenses.

DEPOSITS

Contracts to purchase energy may require Community Power to provide a supplier with advanced payments or security deposits. Security deposits are generally held for the term of the contract and are classified as current or noncurrent assets depending on the length of the time the deposits will be outstanding.

CAPITAL ASSETS AND DEPRECIATION

Community Power's policy is to capitalize furniture and equipment valued over $5,000 that is expected to be in service for over one year. Software costs are capitalized when they meet the applicable criteria for capitalization. Depreciation and amortization are computed using the straight-line method over estimated useful lives of three years for electronic equipment, five years for furniture, and the estimated useful lives of capitalized software. Leasehold improvements are depreciated over the lesser of seven years or the length of the original lease term. Capitalized software is amortized beginning when placed into service. Community Power does not own any electric generation, transmission, or distribution assets.

LEASE ASSETS AND LEASE LIABILITIES

Community Power recognizes an asset and liability when it enters into certain leasing arrangements. The leased assets are amortized over the term of the leases. The lease liabilities are the present value of payments expected to be paid to the lessors during the leases' terms. Community Power's leased assets and liabilities relate to its office premises.

DEPOSITS - ENERGY SUPPLIERS

Various energy contracts entered into by Community Power require the supplier to provide Community Power with a security deposit. These deposits are generally held for the term of the contract or until the completion of certain benchmarks. Deposits are classified as current or noncurrent, depending on the length of time the deposits will be held.

ADVANCES FROM GRANTORS

Community Power received grant funding from various grantors. The amount in this category represents funds received by Community Power but not yet expended to carry out specific goals.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

RATE STABILIZATION RESERVE

In March 2026, Community Power created a Rate Stabilization Reserve (RSR) that is reported in accordance with GASB Statement No. 62. The purpose of the RSR is to allow Community Power to defer revenue in years when financial results are strong for use in future years when financial results may decline. Withdrawals from the RSR may be used to mitigate rate volatility, maintain competitive customer rates, and support compliance with financial covenants and contractual obligations. The amount deposited into the RSR is shown as a reduction in operating revenues and reported on the Statements of Net Position as a deferred inflow of resources. Transfers to the RSR were $115,000,000 and $0 in fiscal years 2026 and 2025, respectively.

NET POSITION

Net position is presented in the following components:

Net investment in capital assets: This component of net position consists of capital assets, net of accumulated depreciation and amortization, and reduced by a lease obligation that is attributable to the acquisition, construction, or improvements of those assets.

Restricted: This component of net position consists of restraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted: This component of net position consists of net position that does not meet the definition “restricted.”

OPERATING AND NONOPERATING REVENUE

Operating revenues include energy sales to retail and wholesale customers, and liquidated damages from suppliers that fail to meet delivery commitments.

Investment income is considered nonoperating revenue.

REVENUE RECOGNITION

Community Power recognizes revenue according to the accrual basis. This includes invoices issued to customers during the reporting period and electricity estimated to have been delivered but not yet billed. Management estimates that a portion of the billed amounts will be uncollectible. Accordingly, an allowance for uncollectible accounts has been recorded. Revenue is presented net of estimated uncollectible accounts.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

OPERATING AND NONOPERATING EXPENSES

Operating expenses include the costs of electricity, services, administrative expenses, and depreciation of capital assets. Nonoperating expenses are expenses related to financing.

COST OF ELECTRICITY

During the normal course of business, Community Power purchases electrical power from numerous suppliers. Electricity costs include the cost of energy and capacity arising from bilateral contracts with energy suppliers as well as generation credits and load and other charges arising from Community Power's participation in the California Independent System Operator's (CAISO) centralized market. The cost of electricity and capacity is recognized as "Cost of Electricity" in the Statements of Revenues, Expenses and Changes in Net Position.

To comply with the State of California's Renewable Portfolio Standards (RPS) and self-imposed benchmarks, Community Power acquires RPS eligible renewable energy evidenced by Renewable Energy Certificates (Certificates) recognized by the Western Renewable Energy Generation Information System. Community Power obtains Certificates with the intent to retire them and does not sell or build surpluses of Certificates with a profit motive.

Community Power purchases capacity commitments from qualifying generators to comply with the California Public Utilities Commission's (CPUC) Resource Adequacy (RA) Program. The goals of the Resource Adequacy Program are to provide sufficient resources to CAISO to ensure the safe and reliable operation of the electrical grid in real-time and to provide appropriate incentives for the siting and construction of new resources needed for reliability in the future.

STAFFING COSTS

Community Power pays employees semi-monthly and fully satisfies its obligation for health benefits and contributions to its defined contribution retirement plan. Community Power is not obligated to provide post-employment healthcare or other fringe benefits and, accordingly, no related liability is recorded in these financial statements.

Community Power provides compensated absences, including paid time off, which are accrued when earned and recorded as part of accrued liabilities. The liability includes leave that is attributable to services already rendered, accumulates, and is more likely than not to be used or paid. The liability is measured using the employee's pay rate as of the financial statement date.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INCOME TAXES

Community Power is a joint powers authority under the provision of the California Government Code and is not subject to federal or state income or franchise taxes.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

RECLASSIFICATIONS

Certain amounts in the prior year's financial statements have been reclassified for comparative purposes to conform to the presentation of these financial statements. These reclassifications did not result in any change in previously reported net position or change in net position.

2. CASH AND CASH EQUIVALENTS

Community Power maintains its cash in both interest-bearing and non-interest-bearing accounts. Community Power deposits are subject to California Government Code Section 16521 which requires banks to provide collateral of 110% of balances in excess of the $250,000 insurance coverage provided by the Federal Deposit Insurance Corporation. Accordingly, the amount of risk is not disclosed for bank deposits. The risk disclosures in Note 4 address the risks related to certain short-term investments with original maturities of less than three months that are classified as cash and cash equivalents in the Statements of Net Position and Statements of Cash Flows. Community Power monitors its risk on an ongoing basis.

3. ACCOUNTS RECEIVABLE

Accounts receivable were as follows as of June 30:

	2026	2025
Accounts receivable from customers	$ 162,503,948	$ 164,527,223
Allowance for uncollectible accounts	(57,500,000)	(48,500,000)
Net accounts receivable	$ 105,003,948	$ 116,027,223

The majority of account collections occur within the first few months following the issuance of customer invoices. Community Power estimates that a portion of the invoiced accounts will not be collected. Community Power continues collection efforts on accounts in excess of *de minimis* balances regardless of the age of the account. Although collection success generally decreases with the age of the receivable, Community Power continues to have success in collecting older accounts.

4. INVESTMENTS

During the year ended June 30, 2026 and 2025, Community Power held investments with original maturities of three months or more. As of June 30, the fair value of investments was as follows:

	2026	2025	Level
Current Investments:			
U.S. Treasury securities	$ 5,374,342	$ 1,006,055	1
U.S. agency obligations	699,721	-	2
Corporate bonds - U.S.	-	150,774	2
Local Agency Investment Fund	74,914,843	-	NA
Total current investments	$ 80,988,906	$ 1,156,829	

	2026	2025	Level
Noncurrent Investments:			
U.S. Treasury securities	$ 55,153,357	$ 36,261,017	1
U.S. agency obligations	13,632,326	9,007,232	2
Corporate bonds - U.S.	49,089,064	21,457,839	2
Corporate bonds - foreign	-	2,302,456	2
Municipal bonds	-	877,267	2
Total noncurrent investments	$ 117,874,747	$ 69,905,811	

4. INVESTMENTS (continued)

FAIR VALUE MEASUREMENT

GASB Statement No. 72, *Fair Value Measurement and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

U.S. Treasury securities are classified as Level 1 inputs because they rely on unadjusted, quoted prices in active markets for identical assets.

Other investments, other than LAIF, are classified as Level 2 inputs as they were valued using institutional bond quotes or valuations based on market inputs.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. Community Power's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals from LAIF are made on the basis of $1, which is substantially equal to fair value. Investments with LAIF are not required to be categorized under the fair value hierarchy.

CREDIT RISK

Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations. Certain investments, such as obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk. As of June 30, 2026, Community Power's investments were rated from A3 to Aaa, as measured by Moody's Investment Service.

Community Power's investment policy addresses this risk. Community Power limits investments to those allowed by Section 53601 of the California Government Code that addresses the risk allowable for each investment.

4. INVESTMENTS (continued)

CUSTODIAL CREDIT RISK

Cash and cash equivalents

Custodial credit risk is the risk that in the event of a financial institution failure, Community Power's deposits may not be returned to Community Power. Community Power's deposits are fully insured or collateralized.

As of June 30, 2026 and 2025, none of Community Power's bank balances are known to be individually exposed to credit risk.

Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, Community Power would not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. All of Community Power's investments are exposed to credit risk.

Community Power's investment policy addresses custodial credit risk. All investments owned by Community Power shall be held in safekeeping by a third-party custodian, acting as an agent for Community Power under the terms of a custody agreement.

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of the price sensitivity of a fixed income portfolio to changes in interest rates. Duration is calculated as the weighted average time to receive a bond's coupon and principal payments. The longer the duration of a portfolio, the greater its price sensitivity to changes in interest rates. Community Power manages its exposure to declines in fair values by limiting the weighted average maturity of its investments.

Following is a summary of investment maturities as of June 30, 2026:

		Investment Maturities	
Investment Type	Fair Value	Less Than 1 Year	1-5 Years
U.S. Treasury securities	$ 60,527,699	$ 5,374,342	$ 55,153,357
U.S. agency obligations	14,332,047	699,721	13,632,326
Local Agency Investment Fund	74,914,843	74,914,843	-
Corporate bonds-U.S.	49,089,064	-	49,089,064
	$ 198,863,653	$ 80,988,906	$ 117,874,747

4. INVESTMENTS (continued)

Following is a summary of investment maturities as of June 30, 2025:

		Investment Maturities	
Investment Type	Fair Value	Less Than 1 Year	1-5 Years
U.S. Treasury securities	$ 37,267,072	$ 1,006,055	$ 36,261,017
U.S. agency obligations	9,007,232	-	9,007,232
Corporate bonds-U.S.	21,608,613	150,774	21,457,839
Corporate bonds-foreign	2,302,456	-	2,302,456
Municipal bonds	877,267	-	877,267
	$ 71,062,640	$ 1,156,829	$ 69,905,811

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the risk of loss to the magnitude of Community Power's investment in a single issuer. Community Power manages the concentration of credit risk by diversifying its portfolio so that reliance on any one issuer will not place an undue burden on Community Power.

As of June 30, 2026 and 2025, Community Power's investment portfolio was concentrated as follows:

		Percentage of Portfolio	
Issuer	Investment Type	2026	2025
Federal Home Loan Mortgage Corporation (Freddie Mac)	U.S. agency implicitly guaranteed	0.0%	11.4%

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2026 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
Capital assets not being depreciated:				
Software	$ -	$ 530,485	$ -	$ 530,485
Capital assets being depreciated and amortized:				
Furniture and equipment	163,138	-	-	163,138
Software	-	853,540	-	853,540
Lease assets	2,238,129	-	(954,076)	1,284,053
Total capital assets being depreciated and amortized:	2,401,267	853,540	(954,076)	2,300,731
Less accumulated depreciation and amortization:				
Furniture and equipment	(74,655)	(33,627)	-	(108,282)
Software	-	(51,128)	-	(51,128)
Lease assets	(1,009,070)	(801,039)	954,076	(856,033)
Total accumulated depreciation and amortization	(1,083,725)	(885,794)	954,076	(1,015,443)
Total capital assets, net of depreciation and amortization	$ 1,317,542	$ 498,231	$ -	$ 1,815,773

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
Capital assets being depreciated and amortized:				
Furniture and equipment	$ 163,138	$ -	$ -	$ 163,138
Lease assets	2,076,825	1,284,053	(1,122,749)	2,238,129
Total capital assets being depreciated and amortized:	2,239,963	1,284,053	(1,122,749)	2,401,267
Less accumulated depreciation and amortization:				
Furniture and equipment	(39,354)	(35,301)	-	(74,655)
Lease assets	(941,766)	(691,054)	623,750	(1,009,070)
Total accumulated depreciation and amortization	(981,120)	(726,355)	623,750	(1,083,725)
Total capital assets, net of depreciation and amortization	$ 1,258,843	$ 557,698	$ (498,999)	$ 1,317,542

6. DEBT

BANK NOTE PAYABLE

In February 2023, Community Power entered into a revolving credit agreement with JPMorgan (JPM) to borrow up to $150,000,000. In October 2024, Community Power amended its credit agreement with JPM to increase the borrowing limit to $250,000,000 and Community Power assigned a security interest in all customer accounts receivable, revenues, debt service reserve accounts, and cash collateral accounts. Principal can be drawn as needed and interest is accrued on the outstanding balance. In the event of default, the note becomes immediately due and payable. In addition to borrowings, Community Power issues Standby Letters of Credit secured by the line of credit agreement that reduces the available portion of the line but is not considered debt to Community Power. As of June 30, 2026, Community Power had $27,000,000 in outstanding standby letters of credit issued under the credit agreement, reducing the amount available for borrowing under the line of credit. The line of credit matures in February 2028.

During fiscal year 2026 and 2025, Community Power borrowed and repaid $19,000,000 and $55,500,000, respectively.

7. LEASES

Lease assets and lease liabilities are reported in accordance with Government Accounting Standards Board No. 87.

PROPERTY LEASES

In October 2023 and February 2025, Community Power entered into non-cancelable leases for its office space. The lease expires in February 2027. Future minimum lease payments are projected to be approximately $598,000 for principal and $14,000 for interest, which totals $612,000.

8. GRANTS

During the years ended June 30, 2026 and 2025, Community Power served as the lead administrator of the SDREN, a regional partnership focused on delivering energy efficiency, electrification, and climate resilience programs. In this role, Community Power is responsible for managing program design, contracting, and implementation. Community Power received approximately $30,934,000 and $26,682,000 in SDREN funding approved by the CPUC during fiscal years 2026 and 2025, respectively.

8. GRANTS (continued)

SDREN funding is received in accordance with a multi-year funding schedule, while grant revenue is recognized as program activities are performed and applicable eligibility requirements are met. During fiscal year 2026, Community Power recognized approximately $9,219,000 of SDREN grant revenue. Community Power also recognized approximately $645,000 of grant revenue from other programs, resulting in total grant revenue of approximately $9,864,000 for the year. During fiscal year 2025, Community Power recognized approximately $1,780,000 of grant revenue.

Unspent SDREN grant funds of approximately $47,942,000 and $25,256,000 as of June 30, 2026 and 2025, respectively, represent amounts received in advance for which applicable eligibility requirements had not yet been met and are reported as Advances from Grantors in the Statements of Net Position as current or noncurrent liabilities.

9. DEFINED CONTRIBUTION RETIREMENT PLAN

The San Diego Community Power Plan (Plan) is a defined contribution retirement plan established by Community Power to provide benefits at retirement to its employees. The Plan is administered by Empower Retirement. As of June 30, 2026, there were 93 plan members. Community Power is required to contribute 10% of annual covered payroll to the Plan and contributed $1,504,000 and $1,216,000 during the fiscal years ended June 30, 2026 and 2025, respectively. The Plan includes vesting provisions intended to encourage employee retention. Plan provisions and contribution requirements are established and may be amended by the Board.

10. RISK MANAGEMENT

Community Power is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. During the year, Community Power purchased insurance policies from highly rated commercial carriers to mitigate risks that include those associated with earthquakes, theft, general liability, errors and omissions, cybersecurity, and property damage. There were no significant reductions in coverage compared to the prior year. Community Power has general liability coverage of $2,000,000 with a deductible of $100,000. From time to time, Community Power may be party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and Community Power’s legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on Community Power’s financial position or results of operations.

10. RISK MANAGEMENT (continued)

Community Power maintains a comprehensive risk management framework to identify and mitigate credit, liquidity, market, operational, regulatory, and other risks associated with participation in the California energy market. The framework employs credit risk strategies, including a preference for transacting with highly rated counterparties, establishing credit limits, and securing collateral when necessary. To address market risks, Community Power utilizes hedging strategies, netting arrangements, and liquidity monitoring. Internal controls and compliance mechanisms are in place to manage operational and regulatory risks, ensuring adherence to legal and market regulations. Risk monitoring and oversight are continuously performed through frequent reporting, with key risks communicated promptly to stakeholders. This integrated approach enables Community Power to maintain a balanced risk profile while adapting to evolving market conditions.

11. PURCHASE COMMITMENTS

In the ordinary course of business, Community Power enters into various power purchase agreements in order to acquire renewable and other energy and electric capacity. The price and volume of purchased power may be fixed or variable. Variable pricing is generally based on the market price of electricity at the date of delivery. Variable volume is generally associated with contracts to purchase energy from as-available resources such as solar, wind, and hydro-electric facilities.

Community Power enters into power purchase agreements to comply with state law and voluntary targets for renewable and greenhouse free products and to ensure stable and competitive electric rates for its customers.

The following table represents the expected, undiscounted, contractual obligations outstanding as of June 30, 2026:

Year ending June 30,	
2027	$ 750,900,000
2028	557,200,000
2029	616,500,000
2030	613,300,000
2031	607,600,000
2032-2049	6,777,400,000
Total	$ 9,922,900,000

12. JOINT VENTURE

Community Power participates in a JPA through the California Community Choice Financing Authority (CCCFA). CCCFA was formed to assist its members by undertaking the financing or refinancing of energy prepayments through tax-advantaged bonds on behalf of one or more of the members by issuing or incurring bonds and entering into related contracts with its members. Any debt or liability incurred by CCCFA on behalf of a member to prepay for renewable energy is not a debt or liability of that member. Furthermore, the assets of CCCFA in the form of prepaid energy or reserves held by the respective bond trustees for any prepayment transaction undertaken on behalf of a member do not constitute an asset or reserve of that member.

CCCFA issued bonds which are to be used to finance energy purchases that will be delivered to Community Power. No debt, liability, or obligation of CCCFA is a debt, liability or obligation of Community Power.

Community Power purchases energy from CCCFA in the same manner as it purchases energy from other suppliers. Community Power purchased approximately $59,809,000 and $12,836,000 from CCCFA during fiscal years 2026 and 2025, respectively. The outstanding commitments to purchase from CCCFA are included in Note 11. This amount represents executed energy contracts assigned to CCCFA at June 30, 2026. Additional contracts may be assigned while the bond is outstanding. The financial statements of CCCFA are available online at http://www.cccfa.org/key-documents.html.

13. RECENTLY ADOPTED AND FUTURE ACCOUNTING PRONOUNCEMENTS

Community Power implemented GASB Statement No. 102, *Certain Risk Disclosures*, which requires additional disclosures regarding concentrations and constraints that could impact Community Power's financial position or results of operations. Implementation of this statement did not have a material effect on the financial statements.

Community Power also implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, which establishes revised guidance for the presentation of financial statements by state and local governments. The adoption of this statement did not have a material effect on Community Power's financial statements.

In addition, Community Power adopted GASB Statement No. 104, *Disclosure of Certain Capital Assets*, which establishes additional disclosure requirements for certain types of capital assets. Implementation of this statement did not have a material effect on the financial statements.

GASB Statement No. 105, *Subsequent Events*, is effective for fiscal years beginning after June 15, 2026. Management is evaluating the effect of implementation of this statement.

ITEM 5
ATTACHMENT B



Report to the Board of Directors

San Diego Community Power

For the year ended June 30, 2026

sorren CPAs, PC

To the Board of Directors
San Diego Community Power
815 E Street, Suite 12716
San Diego, CA 92112

We are pleased to present this report related to our audit of the financial statements of San Diego Community Power (Community Power) as of and for the year ended June 30, 2026. Our report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for Community Power's financial reporting process.

This report is intended solely for the information and use of the Finance and Risk Management Committee, Board of Directors and management of Community Power and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to San Diego Community Power.

Sorren CPAs P.C.

Santa Rosa, California
November 17, 2026

cc: Tim Manglicmot, Chief Financial Officer/Treasurer

TABLE OF CONTENTS

Required Communications 1

Significant Accounting Estimates 3

Appendices

Appendix A—Significant Written Communications Between Management and Our Firm

- Representation Letter 4

REQUIRED COMMUNICATIONS

The following required communications summarize our responsibilities regarding the financial statement audit as well as observations from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities

We described our responsibilities under auditing standards generally accepted in the United States of America to you in our engagement letter dated August 3, 2026. The engagement letter included details regarding the planned scope and timing of our audit and identified significant risks. Our audit of the financial statements does not relieve management or you of your responsibilities, which are also described in that letter.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices
Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies
Management has the ultimate responsibility for the appropriateness of the accounting policies used by Community Power. Community Power did not change any existing significant accounting policies. As disclosed in Note 13, Community Power implemented and adopted GASB 102-104 which did not have a material effect on the financial statements.

Significant Accounting Policies
We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant or Unusual Transactions
We did not identify any significant unusual transactions.

Management's Judgments and Accounting Estimates
Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached Summary of Significant Accounting Estimates.

Audit Adjustments and Uncorrected Misstatements

Management chose to pass on one adjustment related to GASB 96 which management concluded wasn't material. We are not aware of any other passed adjustments that were not trivial.

Observations About the Audit Process

Disagreements With Management
We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Consultations With Other Accountants
We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed With Management
No significant issues arising from the audit were discussed or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit
We did not encounter any significant difficulties in dealing with management during the audit.

Shared Responsibilities for Independence

Auditor independence is a joint responsibility and is managed most effectively when management, audit committees, and audit firms work together in considering compliance with applicable independence rules. For Sorren CPAs, P.C. (the Firm) to fulfill its professional responsibility to maintain and monitor independence, management, the Board of Directors, and the Firm each play an important role.

Our Responsibilities

- We are required to maintain both independence of mind and in appearance when providing audit and other attestation services. It is our responsibility to ensure that the general requirements for performing nonattest services are adhered to and included in all letters of engagement.
- We are required to maintain a system of quality management over compliance with independence rules and firm policies.

Community Power's Responsibilities

- Timely inform the Firm, before the effective date of transactions or other business changes, of the following:
  - New affiliates, directors, or officers.
- Understand and conclude on the permissibility, prior to Community Power's, officers, directors, or persons in a decision-making capacity, engaging in business relationships with the Firm.
- Not entering into relationships resulting in close family members of the Firm covered persons, temporarily or permanently acting as an officer, director, or person in an accounting or financial reporting oversight role at Community Power.

Significant Written Communications Between Management and Our Firm

Copies of significant written communications between our firm and the management of Community Power, including the representation letter provided to us by management, are attached as Appendix A.

SIGNIFICANT ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following summarizes the significant accounting estimates reflected in Community Power's June 30, 2026 financial statements.

Significant Accounting Estimates	
Accrued Revenue	
Accounting policy/ Management's estimation process	Management's estimate of accrued revenue includes historical trends and anticipated energy usage.
Basis for our conclusion on the reasonableness of the estimate	We tested management's estimate analytically and determined management's estimate to be reasonable in relation to the financial statements taken as a whole.
Cost of Electricity	
Accounting policy/ Management's estimation process	Management's estimate of accrued cost of electricity includes historical trends and anticipated energy usage.
Basis for our conclusion on the reasonableness of the estimate	We tested management's estimate through subsequent disbursements and analytical procedures and determined management's estimate to be reasonable in relation to the financial statements taken as a whole.
Allowance for Uncollectible Accounts	
Accounting policy/ Management's estimation process	Management's estimate of the allowance for uncollectible accounts includes historical collection trends and anticipated future collections.
Basis for our conclusion on the reasonableness of the estimate	We evaluated the key factors and assumptions used to develop the estimate in determining that the allowance is reasonable in relation to the financial statements taken as a whole.

APPENDIX A

Significant Written Communications Between Management and Our Firm

SAN DIEGO COMMUNITY POWER

PO Box 12716
San Diego, CA 92112
SDCommunityPower.org

November 17, 2026

Sorren CPAs, P.C.
3562 Round Barn Circle, Suite 200
Santa Rosa, CA 95403

Ladies and gentlemen:

We are providing this letter in connection with your audits of the financial statements of San Diego Community Power (Community Power), as of June 30, 2026, and June 30, 2025, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the preparation and fair presentation in the financial statements in conformity with accounting principles generally accepted in the United States of America.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of the date of this representation letter, as entered on the first page, the following representations made to you during your audits:

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 3, 2026, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.

We have fulfilled our responsibility, as set out in the terms of the aforementioned audit engagement letter, for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

We have made available to you:

a) All financial records, and related data, including the names of all related parties and all relationships and transactions with related parties, as agreed upon in the terms of the aforementioned audit engagement letter.
b) All additional information that you have requested from us for the purpose of the audit.
c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
d) Minutes of the meetings of Board of Directors that were held from July 1, 2025 to the date of this letter, or summaries of actions of recent meetings for which minutes have not yet been prepared.

There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.

There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud or noncompliance. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud or noncompliance. We have no knowledge of any:

a) Fraud or suspected fraud involving management or involving employees who have significant roles in internal control, whether or not perceived to have a material effect on the financial statements.
b) Fraud or suspected fraud involving others where the fraud could have a material effect on the financial statements.
c) Allegations of fraud or suspected fraud affecting Community Power received in communications from employees, former employees, regulatory agencies, law firms, predecessor accounting firms, or others.
d) Instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse, whose effects should be considered when preparing the financial statements.

We have no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, or net position.

The following, where applicable and material, have been properly recorded or disclosed in the financial statements:

a) The identity of all related parties and all related party relationships and transactions of which we are aware, including revenues, expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
b) Arrangements with financial institutions involving compensating balances, restrictions on cash balances, lines of credit, revolving credit agreements, standby letters of credit, and other similar arrangements.
c) Guarantees, whether written or oral, under which Community Power is contingently liable.
d) Significant estimates and material concentrations known to management that are required to be disclosed in accordance with accounting principles generally accepted in the United States of America. In that regard, all accounting estimates that could be material to the financial statements, including key factors and significant assumptions underlying those estimates, have been identified, and we believe the estimates are reasonable in the circumstances. The methods, significant assumptions, and the data used in making the accounting estimates and the related disclosures are appropriate to achieve recognition, measurement, and disclosure that is in accordance with accounting principles generally accepted in the United States of America.
e) The effects of all known actual or possible litigation, claims, and other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America, including:
    - Pending or anticipated tax refunds, other potential or pending claims, lawsuits by or against any branch of government or others;
    - Written or oral guarantees, endorsements, or unused letters of credit;
    - Unusual guarantees; or
    - Labor claims or negotiations.

Accounting principles generally accepted in the United States of America require loss contingencies to be accrued if it is probable an asset has been impaired or a liability incurred at the statement of financial position date and the amount of loss can be reasonably estimated. Such contingencies must be disclosed, but may not be accrued, if the loss is reasonably possible (but not probable) or the loss is probable but the amount of loss cannot be reasonably estimated.

f) Commitments, such as:
   - Major capital asset purchase agreements;
   - Power purchase agreements;
   - More-than-one-year employment arrangements or contracts with suppliers or customers, or one-year-or-longer term leases;
   - Deferred compensation, bonuses, pensions plans, or severance pay; or
   - Pending sale or merger of all or a portion of the business or of an interest therein or acquisition of all or a portion of the business, assets or securities of another entity;

g) Joint ventures or other participations, including all related transactions, commitments, and obligations, and the related financial statement disclosures.

There are no:

a) Violations or possible violations of budget ordinances, laws or regulations (including those pertaining to adopting, approving, and amending budgets) and provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects could be material to the financial statements or whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

b) Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.

c) Side agreements or other arrangements that have not been disclosed to you.

d) Restrictions of net position that were not properly authorized and approved, or reclassifications of net position that have not been properly reflected in the financial statements.

Components of net position are properly classified.

Required supplementary information is measured and presented in accordance with prescribed guidelines.

There have been no known or suspected breaches of sensitive information caused by cyber-attack or other means, or other cybersecurity incidents, where the breach or other incident could have a material effect on the financial statements.

We have appropriately identified, recorded, and disclosed all leases in accordance with GASB Statement No. 87.

We have appropriately disclosed or recognized conduit debt obligations and/or certain arrangements associated with conduit debt obligations in accordance with GASB Statement No. 91.

We have appropriately identified, recorded, and disclosed public-private and public-public partnerships and availability payment arrangements in accordance with GASB Statement No. 94.

We have appropriately identified, recorded, and disclosed subscription-based information technology arrangements that are qualitatively and quantitatively material in accordance with GASB Statement No. 96.

We have appropriately measured, recorded, and disclosed compensated absences and other salary-related payments in accordance with GASB Statement No. 101.

To the best of our knowledge and belief, no events have occurred subsequent to the statement of financial position date and through the date of this representation letter, as entered on the first page, that would require adjustment to or disclosure in the aforementioned financial statements.

Respectfully,

Tim Manglicmot, Chief Financial Officer/Treasurer
San Diego Community Power

Mike Maher
Mike Maher (Nov 17, 2026 13:33:42 PST)

Michael Maher, Accountant

SAN DIEGO COMMUNITY POWER
Staff Report – Item 6

To:	Finance and Risk Management Committee
From:	Timothy Manglicmot, Chief Financial Officer/Treasurer
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Treasurer's Report and Quarterly Investment Update for Three-Month Period Ending September 30, 2026
Date:	December 3, 2026

Recommendation

Receive and File Treasurer's Report and Quarterly Investment Update for Three-Month Period Ending September 30, 2026.

Background

San Diego Community Power (Community Power) prepares its accounting records on a full accrual basis under generally accepted accounting principles (GAAP) for governmental enterprise funds. This report presents preliminary, unaudited financial results for the three-month period ended September 30, 2026 — the third month of Fiscal Year (FY) 2026-27 — together with budgetary comparisons against the FY 2026-27 Operating Budget and Capital Investment Program (CIP) Budget adopted by the Board of Directors.

The Board adopted an Investment Policy on May 25, 2023, with subsequent revisions on June 27, 2024, and August 28, 2025, to ensure the safeguarding of principal, preservation of liquidity, generation of returns, and adherence to a high standard of fiduciary care. The policy requires regular reporting to the Finance and Risk Management Committee (FRMC) via the Treasurer's Report. As of September 30, 2026, the investment portfolio was compliant with the Community Power Investment Policy.

To enhance transparency, Community Power reports newly executed contracts between $50,000 and $150,000 in the Treasurer's Report, per the Delegated Contract Authority Policy. Monthly operational metrics are presented at Board meetings, and key risk metrics are shared during FRMC meetings as part of the Treasurer's Report.

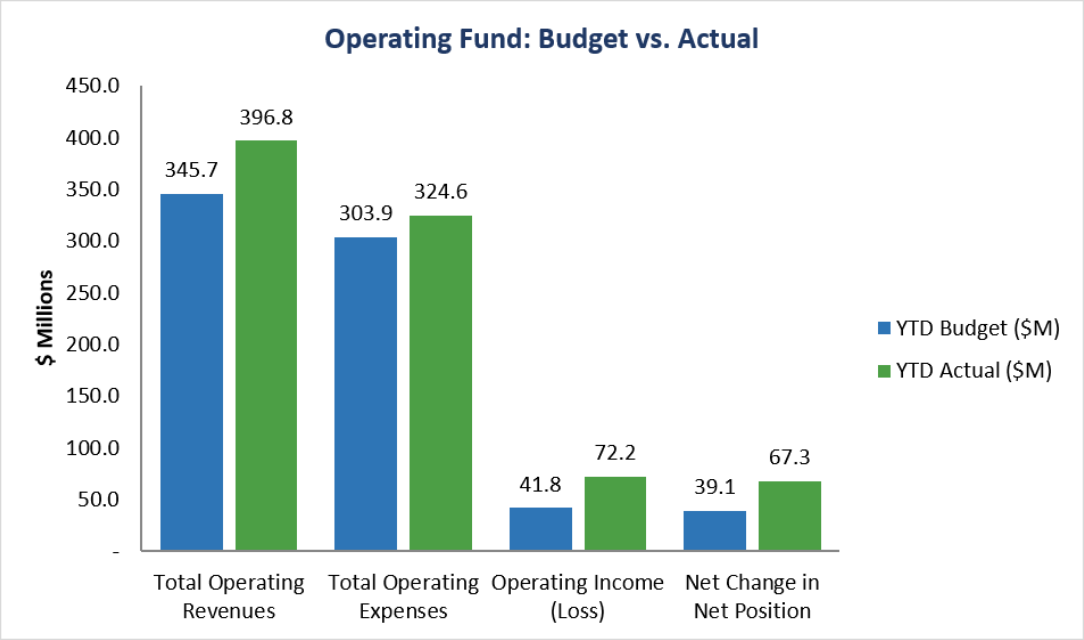
On June 25, 2026, the Community Power Board of Directors (Board) approved the Fiscal Year 2026-27 Operating Budget and Capital Investment Program Budget, which became effective July 1, 2026, and serves as the basis for comparison in this report.

Analysis and Discussion

Executive Summary – Key Financial Highlights (September 2026)

Community Power reported favorable financial results relative to budget in the first three months of FY 2026-27 (three months ended September 30, 2026). The Operating Fund reflects higher-than-budgeted revenues, driven primarily by higher retail energy sales and liquidated damages revenue, which more than offset higher-than-budgeted Cost of Energy, leaving Operating Income above budget.

- **Net Operating Revenues** of $396.8 million vs. $345.7 million budgeted — +$51.1 million (+14.8%), driven by higher gross ratepayer revenues ($384.5 million vs. $350.9 million budgeted) and $18.0 million of liquidated damages and other income that was not budgeted.
- **Total Operating Expenses** of $324.6 million vs. $303.9 million budgeted — $20.7 million (+6.8%) over budget, driven primarily by Cost of Energy ($311.9 million actual vs. $290.0 million budget, +7.6%) tied to higher retail sales volume.
- **Operating Income** of $72.2 million vs. $41.8 million budgeted — $30.4 million (72.7%) favorable, as the $51.1 million increase in net operating revenues exceeded the $20.7 million increase in operating expenses.
- **Change in net position** for the three months ended September 30, 2026 was $73.6 million (including $4.0 million of grant revenue), bringing total net position to $747.6 million as of September 30, 2026.
- **Reserves and liquidity** (unrestricted cash + investments) grew to $745.3 million, equal to approximately 293 days cash on hand — above both the 225-day policy target and the 180-day minimum — and inclusive of the $115.0 million Rate Stabilization Reserve.



Operating Fund Analysis:

The table below presents the Operating Fund budgetary comparison schedule for the two-month period ended August 31, 2026, together with the FY 2026-27 Annual Budget and remaining budget capacity.

SAN DIEGO COMMUNITY POWER
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
Three Months Ended September 30, 2026

	Year-to-Date				Annual	
	Budget	Actual	Budget Variance (Under) Over	Actual/ Budget %	Budget	Budget Remaining
REVENUES AND OTHER SOURCES						
Gross Ratepayer Revenues	$ 350,923,000	$ 384,521,434	$ 33,598,434	110%	$ 932,813,000	$ 548,291,566
Less: Uncollectible Customer Accounts	(5,264,000)	(5,767,822)	(503,822)	110%	(13,992,000)	(8,224,178)
Liquidated Damages and Other Income	-	18,011,429	18,011,429	na	-	(18,011,429)
Total Revenues and Other Sources	345,659,000	396,765,041	51,106,041		918,821,000	522,055,959
OPERATING EXPENSES						
Cost of Energy	289,968,000	311,895,825	21,927,825	108%	872,343,000	560,447,175
Professional Services and Consultants	5,940,000	4,838,595	(1,101,405)	81%	23,797,000	18,958,405
Personnel Costs	5,853,000	5,682,090	(170,910)	97%	23,413,000	17,730,910
Marketing and Outreach	590,000	457,757	(132,243)	78%	2,415,000	1,957,243
General & Administrative	1,523,000	1,728,116	205,116	113%	6,094,000	4,365,884
Total Operating Expenses	303,874,000	324,602,382	20,728,382		928,062,000	603,459,618
Operating Income (Loss)	41,785,000	72,162,659	30,377,659		(9,241,000)	(81,403,659)
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	5,775,000	3,581,298	(2,193,702)	62%	23,101,000	19,519,702
Interest and Related Expenses	(487,000)	(443,228)	43,772	91%	(1,949,000)	(1,505,772)
Transfer to Capital Investment Program	(8,000,000)	(8,000,000)	-	100%	(8,000,000)	-
Total Non-Operating Revenues (Expenses)	(2,712,000)	(4,861,930)	(2,149,930)		13,152,000	18,013,930
NET CHANGE	$ 39,073,000	$ 67,300,729	$ 28,227,729		$ 3,911,000	$ (63,389,729)

Operating Fund Variance Analysis:

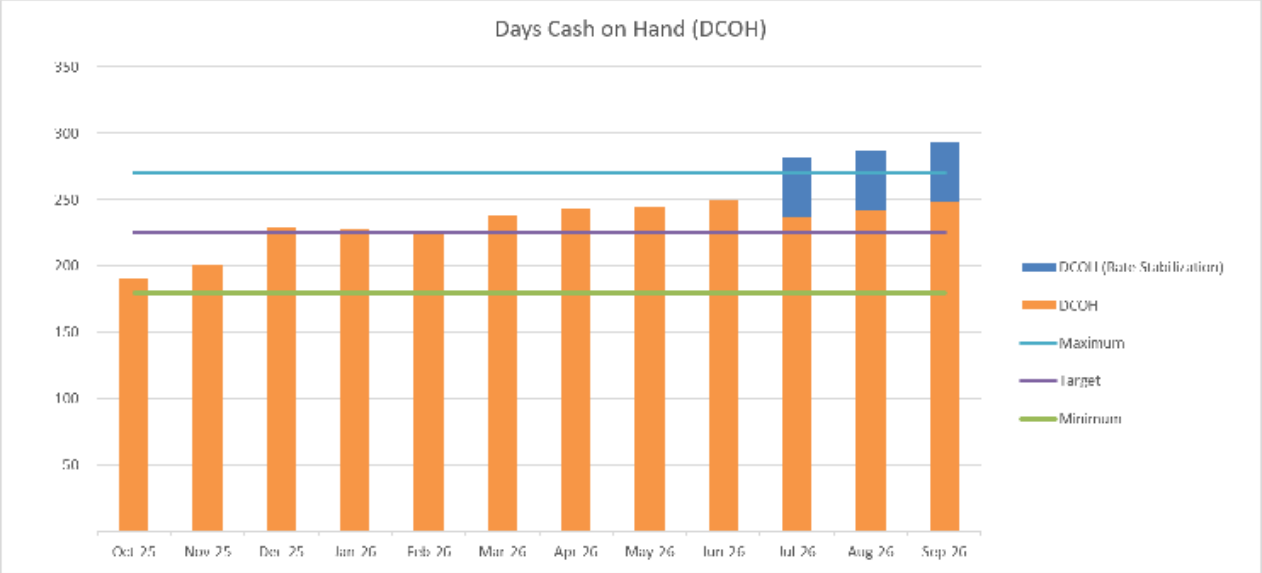
- **Gross Ratepayer Revenues** exceeded budget by $33.6 million (110% of budget), consistent with higher-than-forecast retail energy sales.
- **Cost of Energy** was $21.9 million over budget (108% of budget), moving together with the higher ratepayer sales volume.
- **Professional Services and Consultants** came in $1.1 million under budget (81%), reflecting underspend on Other Services (26% of budget), Technical Support (75%), and SDG&E Fees (85%).
- **Personnel Costs** were essentially on budget (97%, $170,910 under), reflecting lower benefits costs offsetting higher salaries and payroll taxes.
- **General & Administrative** expenses were $205,116 over budget (113%), driven by Other G&A.
- **Investment Income** was $2.2 million under budget (62%), reflecting a fair market value portfolio decline as a result of higher interest rates.

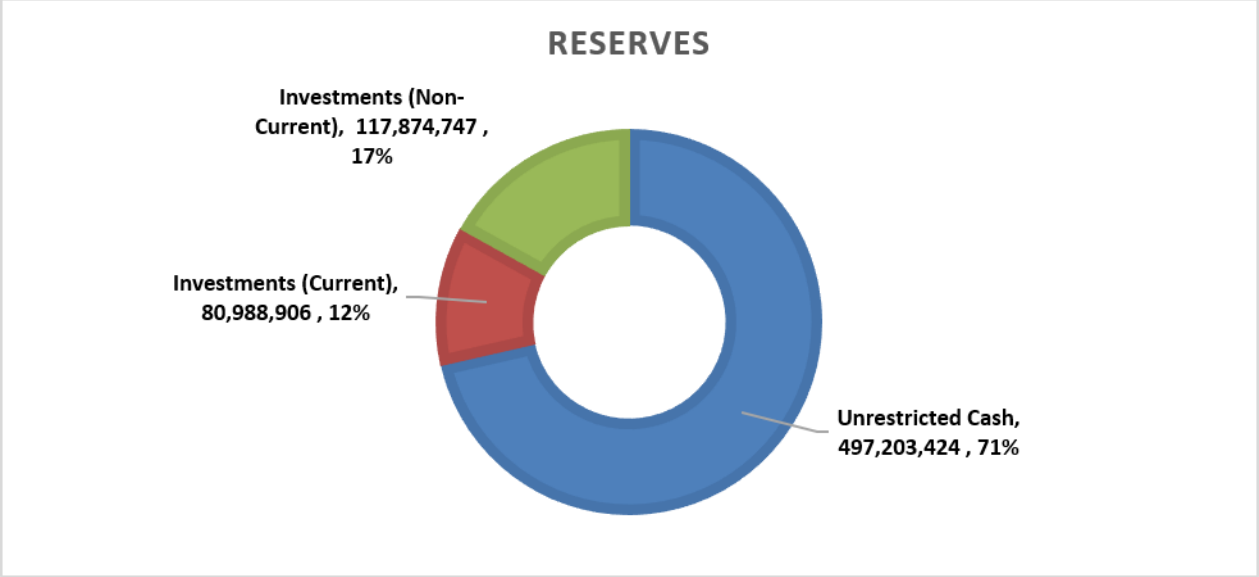
Financial Reserves:

Under Resolution 2025-23, Community Power's Financial Reserves Policy establishes a minimum reserve requirement of 180 days cash on hand (DCOH) and a reserve target of 225 DCOH, calculated against budgeted annual operating expenses. For FY 2026-27, budgeted annual operating expenses of $928.1 million equate to a minimum reserve requirement of approximately $457.7 million and a target of approximately $572.1 million.

As of September 30, 2026, Community Power's reserves — defined as unrestricted cash plus current and noncurrent investments — totaled $745.3 million, equal to approximately 293 days cash on hand. This exceeds both the policy minimum and target, reflecting the reserve base carried forward from FY 2025-26 year-end (including the $115.0 million Rate Stabilization Reserve designated by staff for FY 2025-26) plus $15.2 million of reserve growth during September.

Presented below are charts showing Community Power's rolling 12-month financial reserves relative to Reserve Policy thresholds, along with the composition of reserves between unrestricted cash and investments.





Investment Portfolio Report

Chandler Asset Management manages Community Power's investment portfolio. As of September 30, 2026, the market value of the portfolio was $144.1M and in compliance with Community Power's Investment Policy. Presented below is a summary of the investment portfolio's overall characteristics.

PORTFOLIO SUMMARY

CHANDLER ASSET MANAGEMENT

San Diego Community Power | Account #11293 | As of September 30, 2026

Portfolio Characteristics

Average Modified Duration	2.46
Average Coupon	3.90%
Average Purchase YTM	4.22%
Average Market YTM	5.08%
Average Credit Quality*	AA+
Average Final Maturity	2.97
Average Life	2.74

Account Summary

	End Values as of 08/31/2026	End Values as of 09/30/2026
Market Value	144,486,969.28	143,053,052.16
Accrued Interest	1,049,675.89	1,051,261.56
Total Market Value	145,536,645.17	144,104,313.72
Income Earned	525,620.98	505,349.25
Cont/WD	0.00	0.00
Par	147,484,942.22	147,951,093.76
Book Value	146,028,966.03	146,522,228.98
Cost Value	145,662,682.29	146,113,998.16

Top Issuers

United States	46.83%
Federal Home Loan Mortgage Corp	11.09%
American Express Credit Master Trust	1.47%
WF Card Issuance Trust	1.28%
JPMorgan Chase & Co.	1.27%
Amazon.com, Inc.	1.27%
Chase Issuance Trust	1.19%
Toyota Auto Receivables Owner Trust	1.15%

Contract Execution between $50,000 and $150,000

To ensure transparency and comply with Community Power's Non-Energy Procurement Policy, staff confirms that no contracts or amendments with not-to-exceed values between $50,000 and $150,000 were executed under the CEO's authority between November 1 and November 15, 2026.

Capital Investment Program Fund

The FY 2027-31 Capital Investment Plan contains all the individual capital projects, major equipment purchases, and major programs for the agency that are intended to span multiple years and that are considered one-time projects rather than recurring projects. Unspent funds are kept within the CIP and carried forward to the subsequent fiscal year, including a beginning fund balance of $26.2 million carried forward into FY2026-27. The CIP includes funding for local development feasibility studies, customer program pilot projects, member agency grants, community grants, a customer education platform, and other community-focused areas. The FY 2026-27 transfer from the operating fund total of $8 million, was fully transferred as of September 30, 2026, and includes $3.5 million to support Solar Battery Savings, $2.5 million to support Customer Pilot Programs, $1.5 million to support Community Power's Flexible Load Strategy through the Distributed Energy Resources Management System Software Platform, $0.3 million to support Regional EV Load Analysis, and $0.02 million to support IT projects.

For the three months ended September 30, 2026, the CIP fund recorded $12.0 million in revenue and other sources (the $8.0 million transfer plus $4.0 million of SDREN grant revenue) and $6.1 million in program expenditures against an annual program expenditure budget of $98.9 million, increasing the fund balance by $5.9 million to $32.0 million.

CAPITAL INVESTMENT PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
Three Months Ended September 30, 2026

	Annual Budget	YTD Actual	Budget Remaining
REVENUES AND OTHER SOURCES			
Transfer in from Operating Fund	$ 8,000,000	$ 8,000,000	$ -
Grant Revenue - SDREN	63,117,654	3,975,025	(59,142,629)
Grant Revenue - DAC	300,000	-	(300,000)
Grant Revenue - EBD	1,400,000		(1,400,000)
Grant Revenue - CEC	693,611		(693,611)
Total Revenue and Other Sources	73,511,265	11,975,025	(61,536,240)
EXPENDITURES AND OTHER USES			
Program Expenditures	98,889,162	6,124,908	$ (92,764,254)
Net increase (decrease) in fund balance	(25,377,897)	5,850,116	
Fund balance at beginning of period	26,190,703	26,190,703	
Fund balance at end of period	$ 812,806	$ 32,040,819	

Fiscal Impact

N/A

Strategic Plan

Consistent with the Strategic Plan objective of implementing prudent fiscal strategies to support long-term organizational sustainability.

Attachments

A: FY 2027 Year-to-Date Period Ended September 30, 2026, Financial Statements.
B. Chandler Quarterly Investment Update for period ending September 30, 2026

ITEM 6
ATTACHMENT A

MAHER
ACCOUNTANCY

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, 2026, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the three months 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 compiled financial statements. San Diego Community Power's annual audited financial statements include the note disclosures omitted from these 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
November 12, 2026

SAN DIEGO COMMUNITY POWER
STATEMENT OF NET POSITION
As of September 30, 2026

ASSETS	
Current assets	
Cash and cash equivalents - unrestricted	$ 527,918,435
Cash and cash equivalents - restricted	36,033,336
Accounts receivable, net of allowance	139,856,607
Accrued revenue	57,181,144
Prepaid expenses	2,633,281
Other receivables	4,714,969
Deposits	8,214,075
Investments	83,886,810
Total current assets	860,438,657
Noncurrent assets	
Cash and cash equivalents - restricted	24,313,418
Investments	133,537,089
Capital assets, net of depreciation and amortization	1,986,686
Total noncurrent assets	159,837,193
Total assets	1,020,275,850
LIABILITIES	
Current liabilities	
Accrued cost of electricity	80,769,398
Accounts payable	6,427,947
Other accrued liabilities	5,049,949
State surcharges payable	773,003
Deposits - energy suppliers	595,000
Lease liability	372,403
Advances from grantors	36,033,336
Total current liabilities	130,021,036
Noncurrent liabilities	
Deposits - energy suppliers	3,305,810
Advances from grantors	24,313,418
Total noncurrent liabilities	27,619,228
Total liabilities	157,640,264
DEFERRED INFLOWS OF RESOURCES	
Rate Stabilization Fund	115,000,000
NET POSITION	
Net investment in capital assets	1,524,677
Unrestricted	746,110,909
Total net position	$ 747,635,586

SAN DIEGO COMMUNITY POWER
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Three Months Ended September 30, 2026

OPERATING REVENUES	
Electricity sales, net	$ 378,753,612
Liquidated damages revenue	18,007,303
Other income	4,126
Total operating revenues	396,765,041
OPERATING EXPENSES	
Cost of electricity	311,895,825
Contract services	8,467,445
Staff compensation	5,682,090
Other operating expenses	4,474,141
Depreciation and amortization	210,338
Total operating expenses	330,729,839
Operating income	66,035,202
NONCAPITAL SUBSIDIES	
Grant revenue	3,975,025
Noncapital subsidies	3,975,025
Operating income and noncapital subsidies	70,010,227
NONOPERATING REVENUES (EXPENSES)	
Investment income	3,581,298
Interest expense	(8,155)
Nonoperating revenues (expenses), net	3,573,143
CHANGE IN NET POSITION	73,583,370
Net position at beginning of year	674,052,216
Net position at end of year	$ 747,635,586

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS
Three Months Ended September 30, 2026

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 344,124,070
Receipts of supplier security deposits	8,000
Receipts from wholesale sales and other operating activities	21,992,390
Payments to suppliers for electricity	(298,121,337)
Payments for other goods and services	(14,107,226)
Payments for deposits and collateral	(5,938,303)
Payments for staff compensation	(5,753,262)
Payments of state surcharges	(551,705)
Net cash provided by operating activities	41,652,627
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Receipts from grantors	16,380,042
Net cash provided (used) by noncapital financing activities	16,380,042
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Lease payments	(233,946)
Purchases of capital assets	(291,644)
Net cash used by capital and related financing activities	(525,590)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income received	6,462,261
Proceeds from investment sales and maturities of investments	2,320,011
Purchase of investments	(23,816,322)
Net cash provided (used) by investing activities	(15,034,050)
Net change in cash and cash equivalents	42,473,029
Cash and cash equivalents at beginning of year	545,792,160
Cash and cash equivalents at end of year	$ 588,265,189
Reconciliation to the Statement of Net Position	
Unrestricted cash and cash equivalents - current	$ 527,918,435
Restricted cash and cash equivalents - current	36,033,336
Restricted cash and cash equivalents - noncurrent	24,313,418
Cash and cash equivalents	$ 588,265,189
NONCASH INVESTING ACTIVITIES	
Change in fair value of investments	$ (2,936,065)
Change in interest income receivable	$ 55,102
SUPPLEMENTAL CASH FLOW INFORMATION:	
Capital acquisitions included in accounts payable	$ 89,606

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS (continued)
Three Months Ended September 30, 2026

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income	$	66,035,202
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization expense		210,338
(Increase) decrease in:		
Accounts receivable, net		(34,852,659)
Accrued revenue		(549,885)
Prepaid expenses		3,973,606
Other receivables		3,039,362
Deposits		(6,521,916)
Increase (decrease) in:		
Accrued cost of electricity		10,458,523
Accounts payable		(243,313)
Other accrued liabilities		182,803
State surcharges payable		221,297
Deposits - energy suppliers		(300,731)
Net cash provided by operating activities	$	41,652,627

ITEM 6
ATTACHMENT B

INVESTMENT REPORT

San Diego Community Power | As of September 30, 2026

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

TABLE OF CONTENTS

ECONOMIC UPDATE

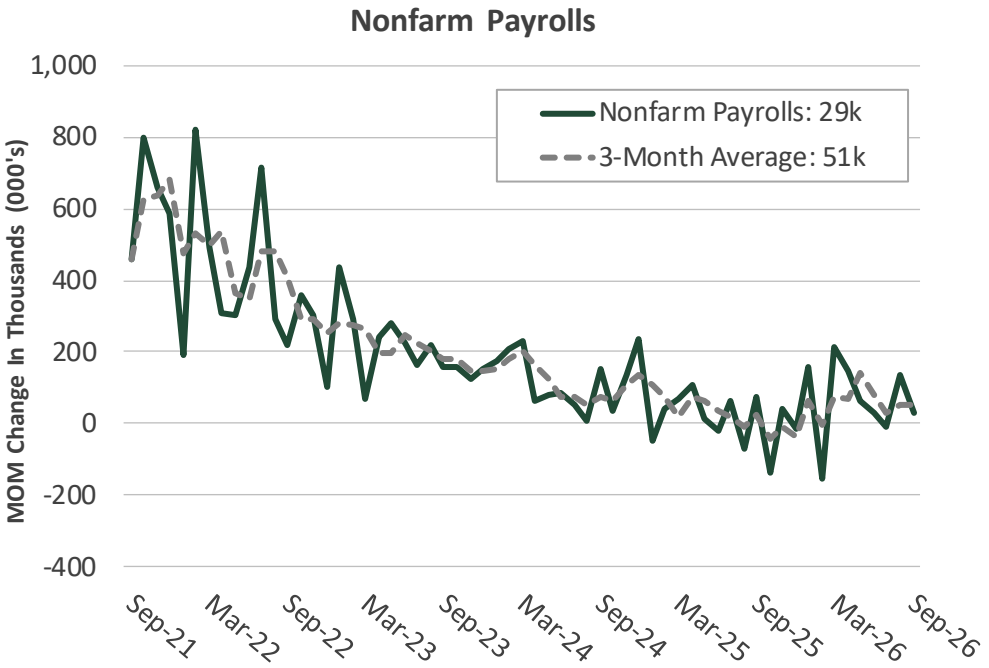
ACCOUNT PROFILE

PORTFOLIO HOLDINGS

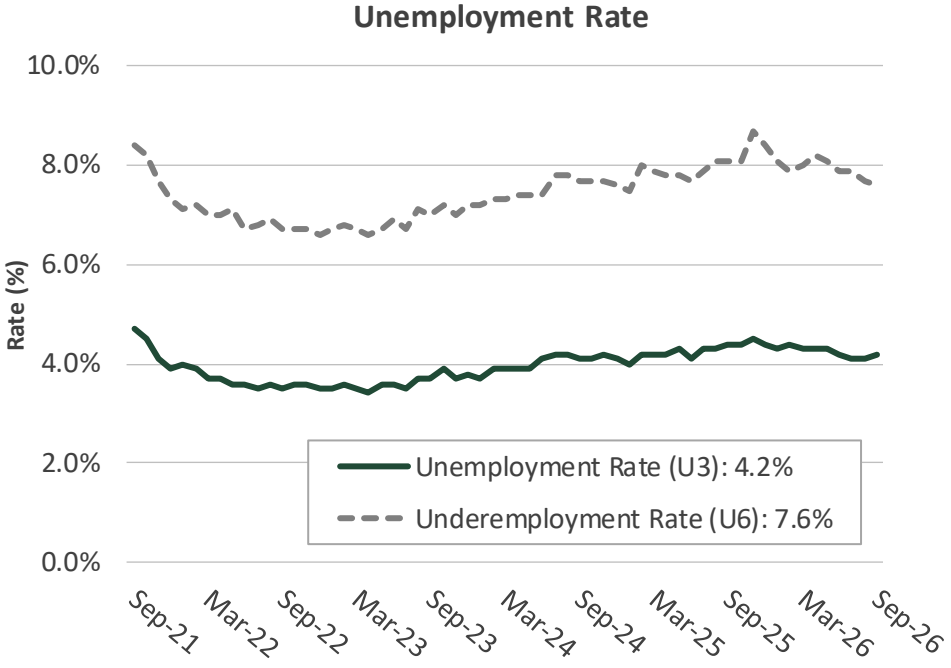
TRANSACTIONS

CHANDLER ASSET MANAGEMENT

ECONOMIC UPDATE

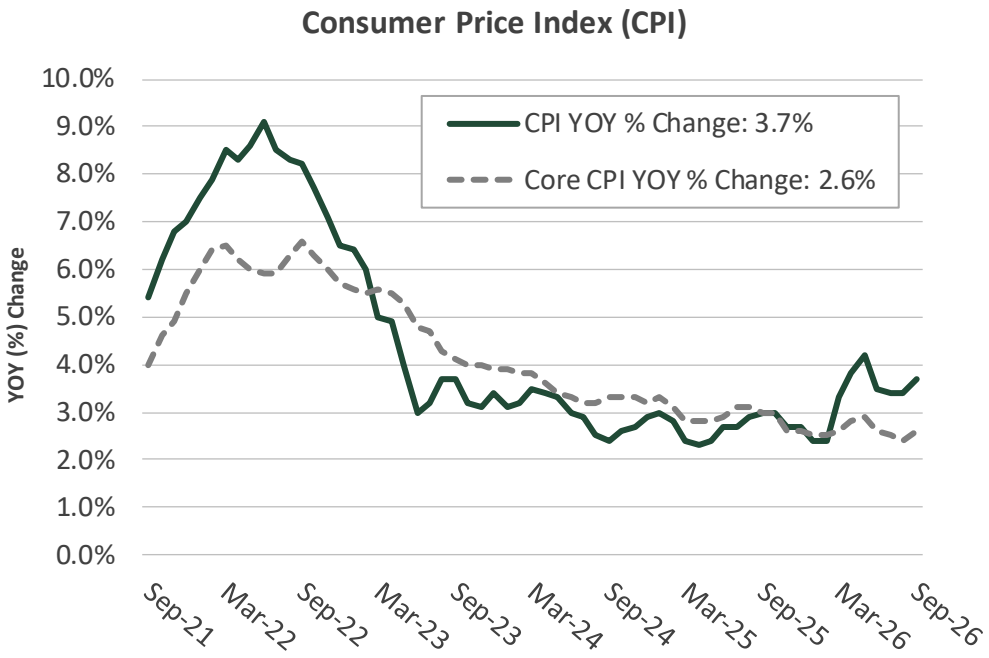


Source: U.S. Department of Labor

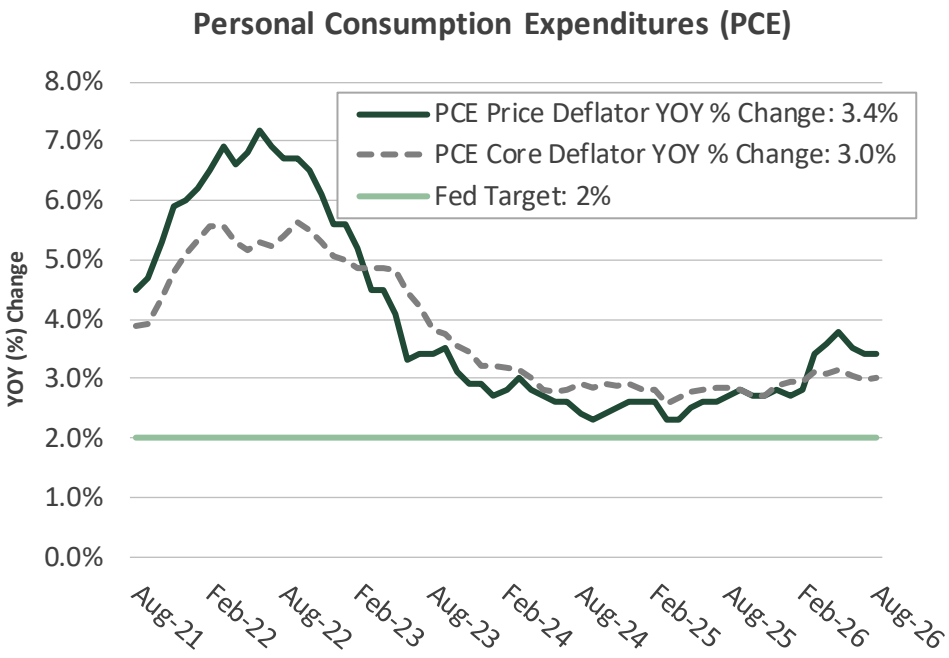


Source: U.S. Department of Labor

- Hiring slowed in September, with nonfarm payrolls rising by just 29,000, according to the Bureau of Labor Statistics. Revisions subtracted a combined 60,000 jobs from the prior two months: July was revised from a gain of 21,000 to a loss of 10,000, while August was lowered from 162,000 to 133,000, for a 3-month average of 51,000 new jobs.
- Health care and social assistance added 23,000 jobs in September, while construction added 11,000. Those gains were partly offset by declines in government, information, and temporary-help services. Although job growth has slowed considerably, low layoffs and a stable unemployment rate suggest that the labor market is cooling gradually rather than deteriorating sharply.
- The unemployment rate edged up to 4.2% from 4.1%, while the underemployment rate fell for the second consecutive month to 7.6% in September.

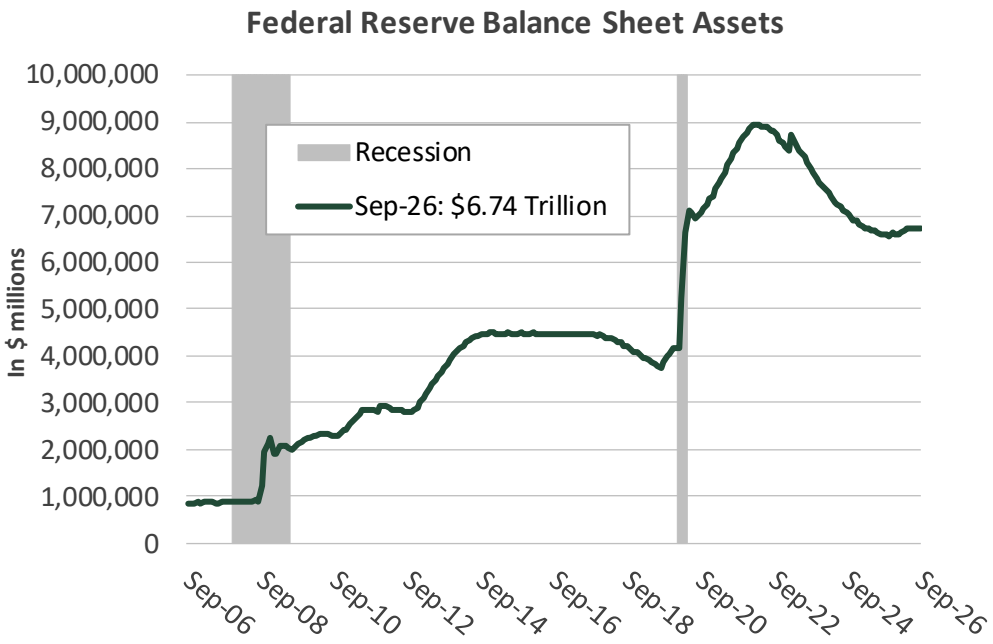


Source: U.S. Department of Labor

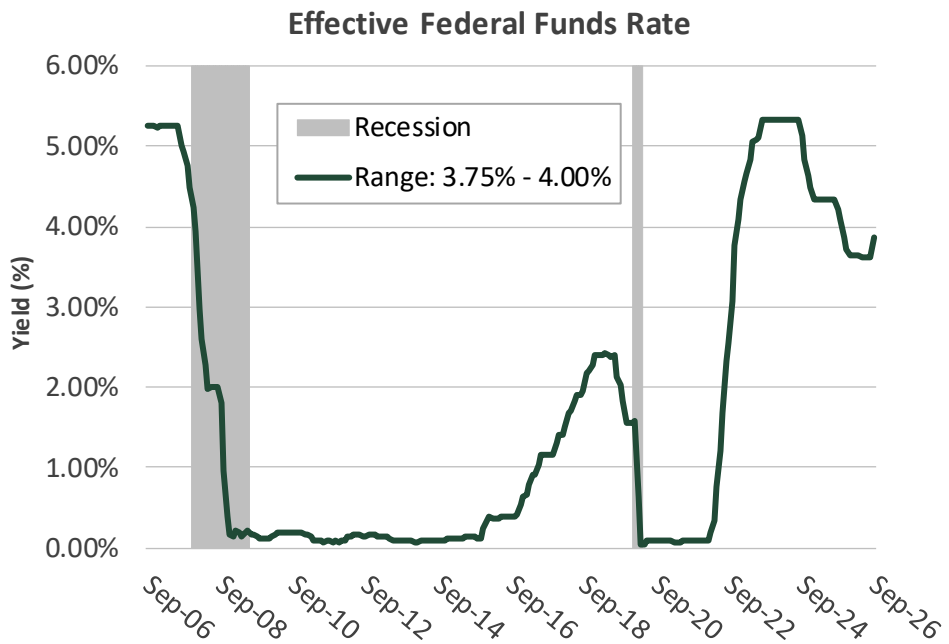


Source: U.S. Department of Commerce

- The Consumer Price Index (CPI) rose 0.6% for the month, following a 0.4% increase in August, lifting the annual rate to 3.7% from 3.4%. Core CPI, which excludes food and energy, advanced 0.3% for a second consecutive month, while the year-over-year rate moved up to 2.6% from 2.4%.
- The Personal Consumption Expenditures (PCE) Price Index gained 0.3% in August and 3.4% from a year earlier, while core PCE rose 0.2% for the month and 3.0% year-over-year.
- With inflation running above the Federal Reserve's 2% target and core measures firming, the Fed faces the risk that persistently higher energy costs are feeding into broader price pressure.

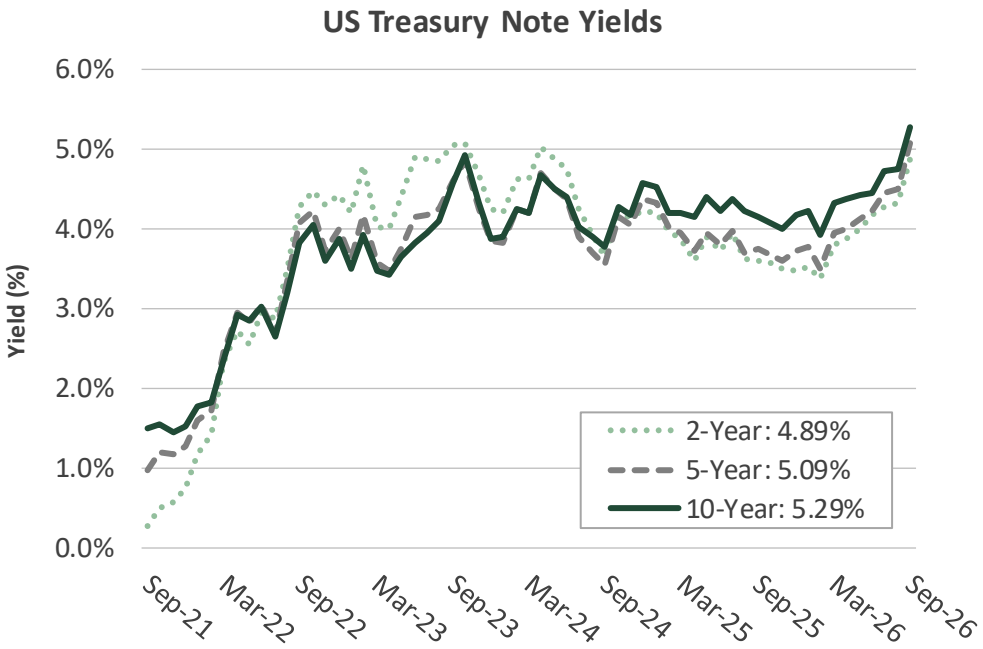


Source: Federal Reserve

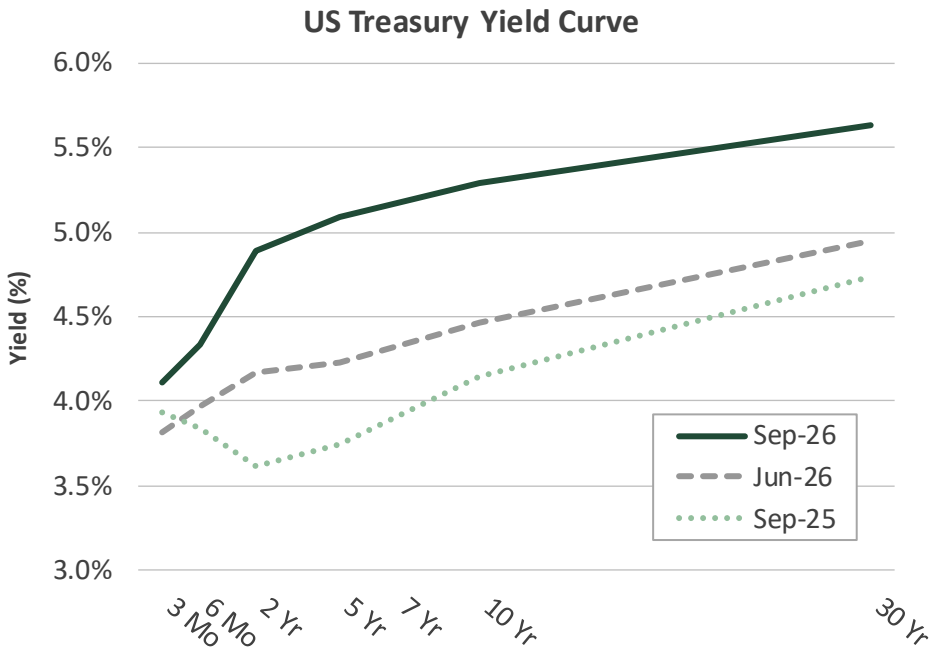


Source: Bloomberg

- The Federal Reserve's Federal Open Market Committee raised the target range for the federal funds rate a quarter point to 3.75% to 4.00% at its September 15 to 16 meeting, in a unanimous decision, marking the first increase since 2023.
- Chair Kevin Warsh, sworn in as the Federal Reserve's chair in May, said the move positions the Committee for a timelier return to its 2% objective and left the door open to further, asymmetric tightening should upward price pressure prove persistent.
- The Summary of Economic Projections showed a median fed funds rate projection of 4.1% for year-end 2026 and 2027, before declining toward a longer-run level of 3.2%. The Committee reaffirmed its policy of maintaining ample reserves amid ambient uncertainty tied to the Middle East conflict.



Source: Bloomberg



Source: Bloomberg

- The U.S. Treasury curve underwent a butterfly shift in September. The front end repriced for a higher-for-longer neutral-rate path, while longer-dated yields rose on fiscal concerns, global spillovers, and inflation expectations. The five-year sector underperformed both the short and long ends, reflecting supply pressure and expanding term premiums.
- The 2-year Treasury yield rose +55 basis points to 4.89%, the 5-year yield increased +59 basis points to 5.09%, and the 10-year yield rose +54 basis points to 5.29%, respectively, from the prior month.
- The 2-year to 10-year spread ended September at +40 basis points, compared with +41 basis points in August, and +54 basis points one year earlier.

CHANDLER ASSET MANAGEMENT

ACCOUNT PROFILE

Investment Objectives

The investment objectives of the San Diego Community Power are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet all disbursement requirements; and third, to earn an acceptable rate of return after first considering safety of principal and liquidity.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve this objective, the portfolio invests in high-quality fixed income securities that comply with the investment policy and all regulations governing the funds.

PORTFOLIO CHARACTERISTICS

San Diego Community Power ConsAgg | Account #11452 | As of September 30, 2026

	9/30/2026 Portfolio	6/30/2026 Portfolio
Average Maturity (yrs)	0.56	0.55
Average Modified Duration	0.47	0.46
Average Purchase Yield	3.62%	3.70%
Average Market Yield	3.73%	3.73%
Average Quality**	AA+	AA+
Total Market Value	753,034,653	691,576,019

*Benchmark: NO BENCHMARK REQUIRED
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

STATEMENT OF COMPLIANCE

San Diego Community Power ConsAgg | Account #11452 | As of June 30, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES				
Max % (MV)	100.0	1.9	Compliant	
Max % Issuer (MV)	30.0	1.9	Compliant	
Max Maturity (Years)	5.0	4.6	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV; ABS & MBS)	20.0	3.8	Compliant	
Max % Issuer (MV)	5.0	0.2	Compliant	
Max Maturity (Years)	5.0	4.6	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180.0	0.0	Compliant	
Min Rating (A-1 by 1)	0.0	0.0	Compliant	
CERTIFICATE OF DEPOSIT PLACEMENT SERVICE				
Max % (MV)	50.0	25.8	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	
COLLATERALIZED BANK DEPOSITS				
Max % (MV)	100.0	36.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (A-1 by 1)	0.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	25.0	0.0	Compliant	

STATEMENT OF COMPLIANCE

San Diego Community Power ConsAgg | Account #11452 | As of June 30, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	270.0	0.0	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	5.0	Compliant	
Max % Issuer (MV)	5.0	0.2	Compliant	
Max Maturity (Years)	5.0	5.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	100.0	0.1	Compliant	
Max % Issuer (MV)	30.0	0.1	Compliant	
Max Callables (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5.0	1.1	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	
JOINT POWERS AUTHORITY (JPA) / LOCAL GOVERNMENT INVESTMENT POOL (LGIP)				
Max % (MV)	100.0	2.9	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max % (MV)	100.0	10.8	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.1	Compliant	
Max % Issuer (MV)	20.0	0.1	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				

STATEMENT OF COMPLIANCE

San Diego Community Power ConsAgg | Account #11452 | As of June 30, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
Max % (MV; ABS & MBS)	20.0	3.8	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES				
Max % (MV)	30.0	0.1	Compliant	
Max % Issuer (MV)	5.0	0.1	Compliant	
Max Maturity (Years)	5.0	3.3	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (A-1 or A- by 1)	0.0	0.0	Compliant	
SRI PROHIBITED INVESTMENTS				
Prohibited Investment - Fossil Fuels	0.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	0.1	Compliant	
Max % Issuer (MV)	10.0	0.1	Compliant	
Max Maturity (Years)	5.0	4.3	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	8.8	Compliant	
Max Maturity (Years)	5.0	4.8	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	

PORTFOLIO CHARACTERISTICS

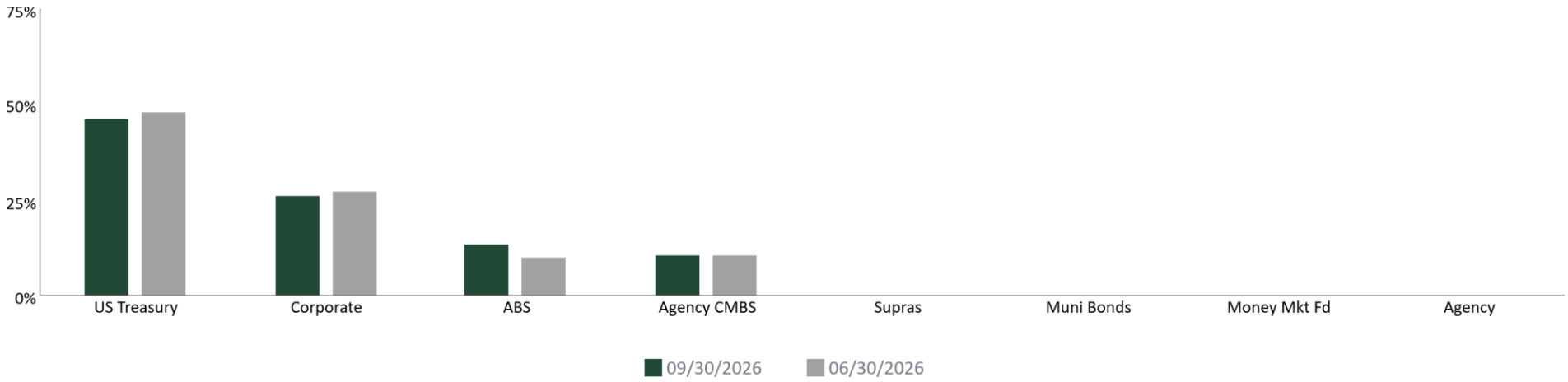
San Diego Community Power | Account #11293 | As of September 30, 2026

	Benchmark*	9/30/2026 Portfolio	6/30/2026 Portfolio
Average Maturity (yrs)	2.63	2.97	3.04
Average Modified Duration	2.43	2.46	2.55
Average Purchase Yield		4.22%	4.14%
Average Market Yield	4.90%	5.08%	4.33%
Average Quality**	AA+	AA+	AA
Total Market Value		144,104,314	125,351,435

*Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

San Diego Community Power | Account #11293 | As of September 30, 2026



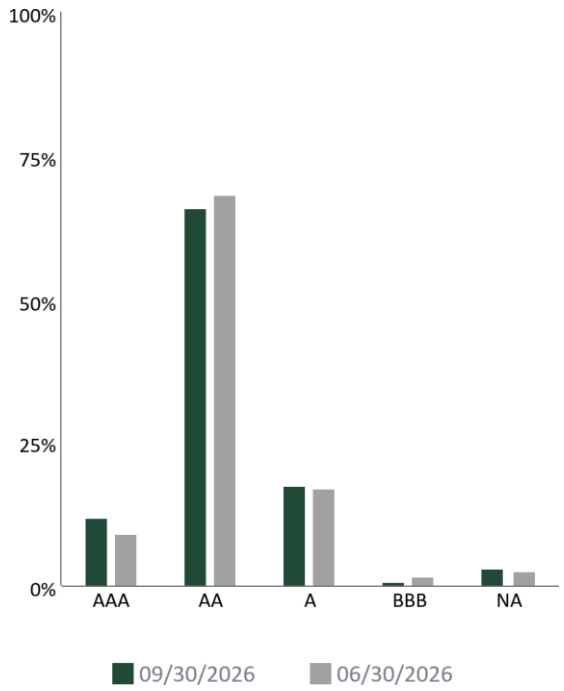
Sector as a Percentage of Market Value

Sector	09/30/2026	06/30/2026
US Treasury	46.83%	48.69%
Corporate	26.59%	27.69%
ABS	13.94%	10.31%
Agency CMBS	11.09%	10.80%
Supras	0.66%	0.78%
Muni Bonds	0.60%	0.70%
Money Mkt Fd	0.15%	0.30%
Agency	0.14%	0.72%
Total	100.00%	100.00%

QUALITY DISTRIBUTION

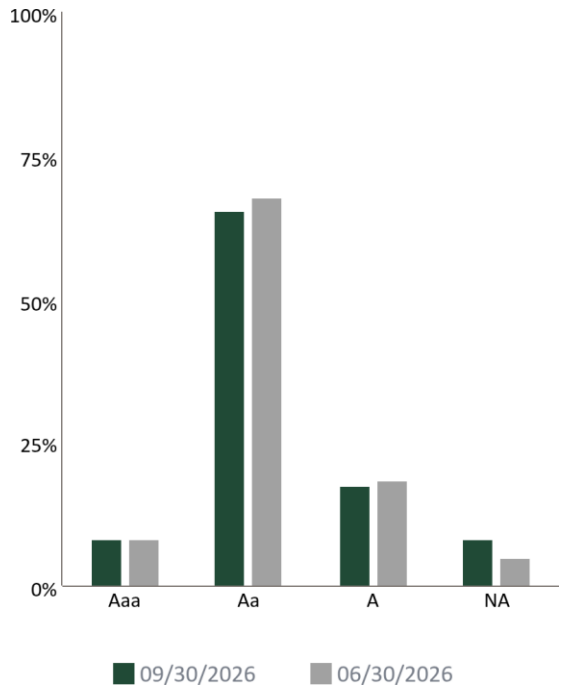
San Diego Community Power | Account #11293 | As of September 30, 2026

S&P Rating



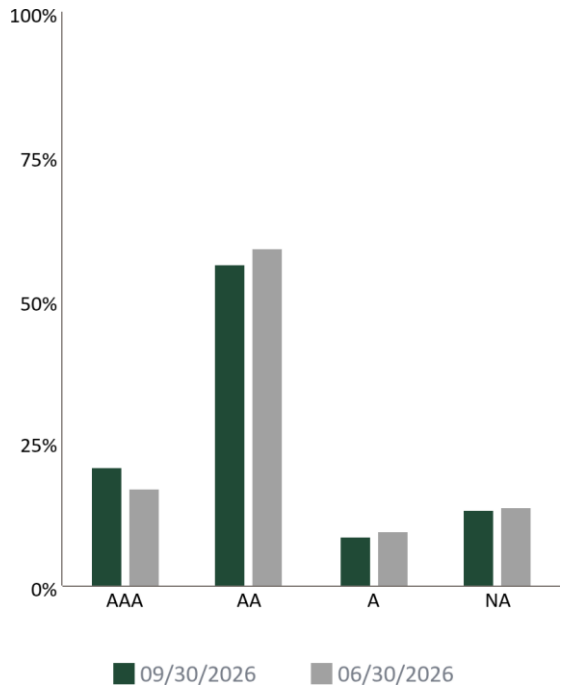
Rating	09/30/2026	06/30/2026
AAA	12.27%	9.30%
AA	65.89%	68.22%
A	17.45%	17.41%
BBB	1.12%	2.05%
NA	3.26%	3.01%

Moody's Rating



Rating	09/30/2026	06/30/2026
Aaa	8.23%	8.47%
Aa	65.52%	67.70%
A	17.89%	18.75%
NA	8.36%	5.08%

Fitch Rating



Rating	09/30/2026	06/30/2026
AAA	21.06%	17.10%
AA	56.33%	58.91%
A	9.03%	9.83%
NA	13.58%	14.16%

ISSUERS

San Diego Community Power | Account #11293 | As of September 30, 2026

Issuer	Investment Type	% Portfolio
United States	US Treasury	46.83%
Federal Home Loan Mortgage Corp	Agency CMBS	11.09%
American Express Credit Master Trust	ABS	1.47%
WF Card Issuance Trust	ABS	1.28%
JPMorgan Chase & Co.	Corporate	1.27%
Amazon.com, Inc.	Corporate	1.27%
Chase Issuance Trust	ABS	1.19%
Toyota Auto Receivables Owner Trust	ABS	1.15%
Guardian Life Global Funding	Corporate	1.01%
The Home Depot, Inc.	Corporate	0.97%
Cap One Multi-Asset Execution Trust	ABS	0.94%
Toyota Motor Corporation	Corporate	0.93%
John Deere Owner Trust	ABS	0.93%
Mercedes-Benz Auto Lease Trust	ABS	0.91%
NVIDIA Corporation	Corporate	0.90%
GM Financial Auto Leasing Trust	ABS	0.90%
Honda Auto Receivables Owner Trust	ABS	0.88%
Caterpillar Inc.	Corporate	0.88%
BMW Vehicle Lease Trust	ABS	0.83%
Eli Lilly and Company	Corporate	0.76%
PACCAR Inc	Corporate	0.75%
Meta Platforms, Inc.	Corporate	0.73%
Prologis, Inc.	Corporate	0.73%
Verizon Master Trust	ABS	0.72%
Mastercard Incorporated	Corporate	0.71%
Hyundai Auto Receivables Trust	ABS	0.70%
Toyota Lease Owner Trust	ABS	0.69%
U.S. Bancorp	Corporate	0.68%
Hyundai Motor Company	Corporate	0.68%
Merck & Co., Inc.	Corporate	0.68%

Issuer	Investment Type	% Portfolio
Deere & Company	Corporate	0.67%
The Goldman Sachs Group, Inc.	Corporate	0.66%
International Bank for Recon and Dev	Supras	0.66%
Wells Fargo & Company	Corporate	0.63%
Morgan Stanley	Corporate	0.62%
Bank of America Corporation	Corporate	0.62%
State of California	Muni Bonds	0.60%
PepsiCo, Inc.	Corporate	0.54%
Public Storage	Corporate	0.54%
New York Life Insurance Company	Corporate	0.52%
American Express Company	Corporate	0.52%
Qualcomm Incorporated	Corporate	0.51%
Marsh & McLennan Companies, Inc.	Corporate	0.51%
Prudential Financial, Inc.	Corporate	0.51%
Realty Income Corporation	Corporate	0.51%
Massachusetts Mutual Life Insurance	Corporate	0.51%
The Progressive Corporation	Corporate	0.50%
Cargill, Incorporated	Corporate	0.50%
Visa Inc.	Corporate	0.50%
Abbvie Inc.	Corporate	0.49%
Metropolitan Life Global Funding I	Corporate	0.48%
Simon Property Group, Inc.	Corporate	0.47%
Citigroup Inc.	ABS	0.47%
Pfizer Inc.	Corporate	0.47%
American Honda Finance Corporation	Corporate	0.46%
Northwestern Mutual Global Funding	Corporate	0.46%
Met Tower Global Funding	Corporate	0.45%
BNY Mellon Corp	Corporate	0.35%
Chubb Limited	Corporate	0.27%
Mercedes-Benz Auto Receivables Trust	ABS	0.27%

ISSUERS

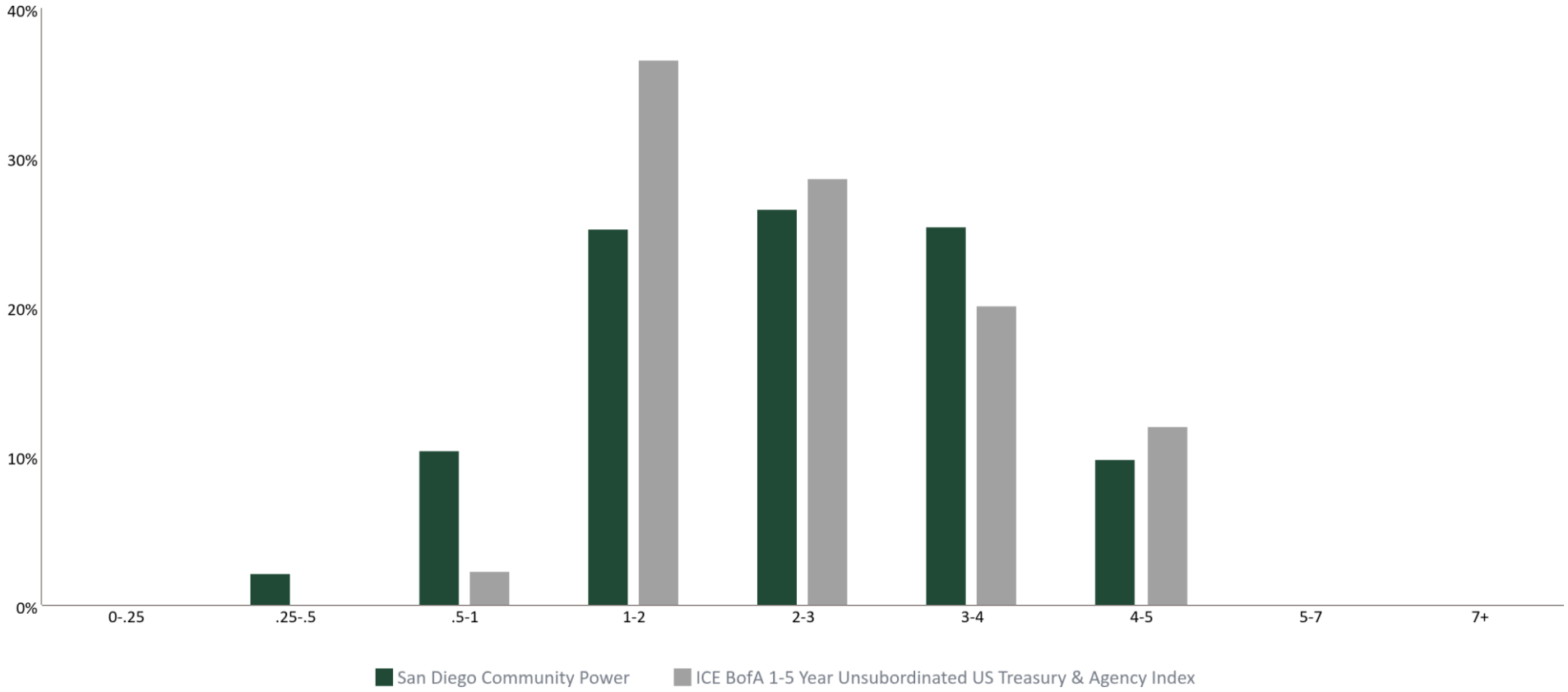
San Diego Community Power | Account #11293 | As of September 30, 2026

Issuer	Investment Type	% Portfolio
GM Financial Securitized Term	ABS	0.22%
UnitedHealth Group Incorporated	Corporate	0.20%
Ford Credit Auto Owner Trust	ABS	0.20%
Target Corporation	Corporate	0.16%
First American Govt Oblig Fund	Money Mkt Fd	0.15%
Farm Credit System	Agency	0.14%
Bank of America Credit Card Trust	ABS	0.14%
BMW Vehicle Owner Trust	ABS	0.05%
Cash	Cash	0.00%
TOTAL		**100.00%**

DURATION DISTRIBUTION

San Diego Community Power | Account #11293 | As of September 30, 2026

Portfolio Compared to the Benchmark

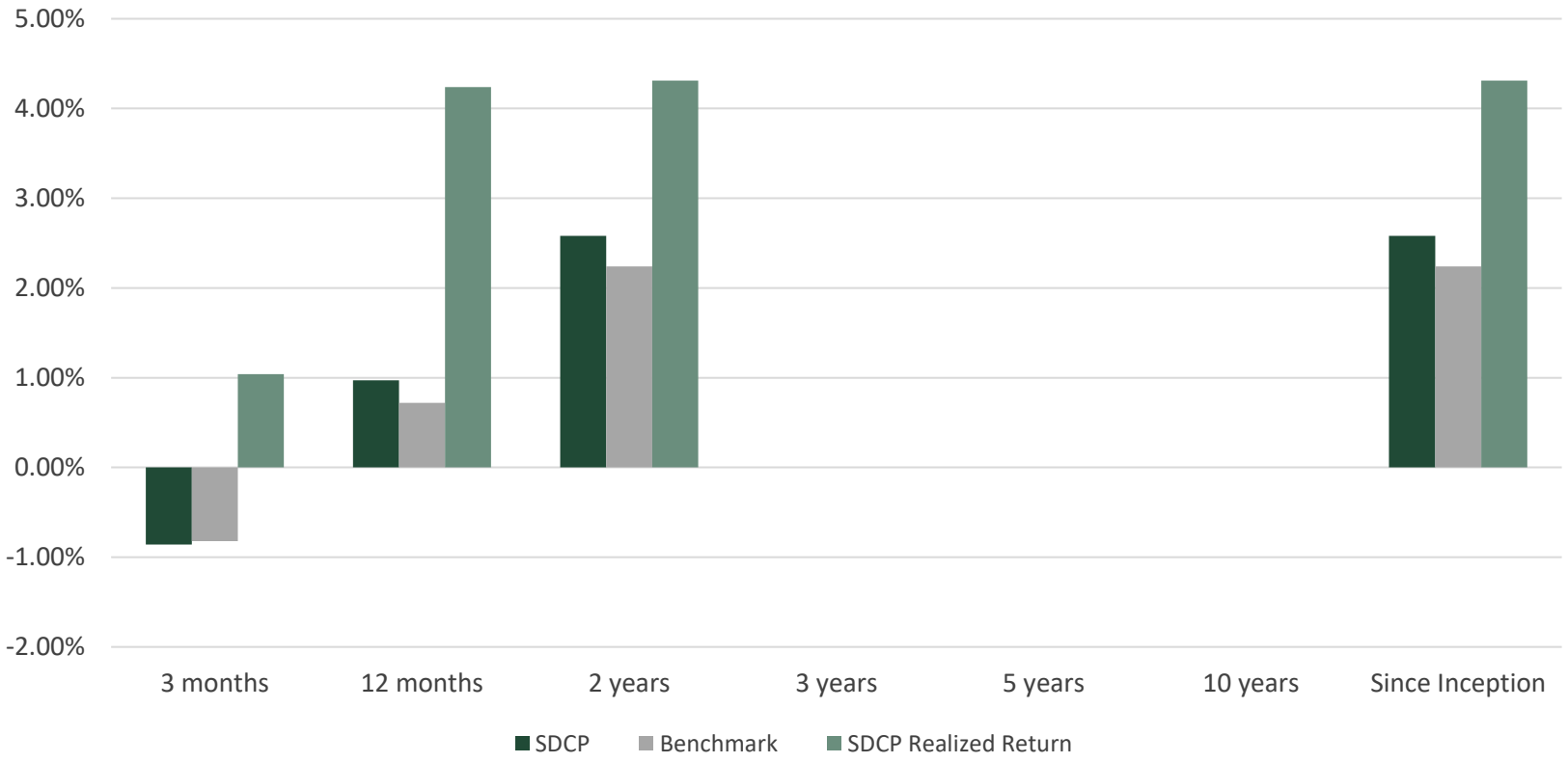


	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	0.1%	2.2%	10.5%	25.3%	26.6%	25.4%	9.8%	0.0%	0.0%
ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index	0.0%	0.0%	2.4%	36.6%	28.7%	20.2%	12.1%	0.0%	0.0%

INVESTMENT PERFORMANCE

San Diego Community Power | Account #11293 | As of September 30, 2026

Total and Realized Rate of Return : Inception | 10/01/2024



	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
TOTAL RATE OF RETURN*							
San Diego Community Power Gross of Fees	(0.86%)	0.97%	2.58%				2.58%
Benchmark	*(0.82%)*	*0.72%*	*2.24%*				*2.24%*
REALIZED RATE OF RETURN							
San Diego Community Power	1.04%	4.24%	4.31%				4.31%

*Periods over 1 year are annualized.
Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio. Realized rate of return: A measure of a portfolio's return over time. It is the internal rate which equates the beginning book value of the portfolio with the ending book value; it includes interest earnings, realized gains and losses in the portfolio.
Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

PORTFOLIO CHARACTERISTICS

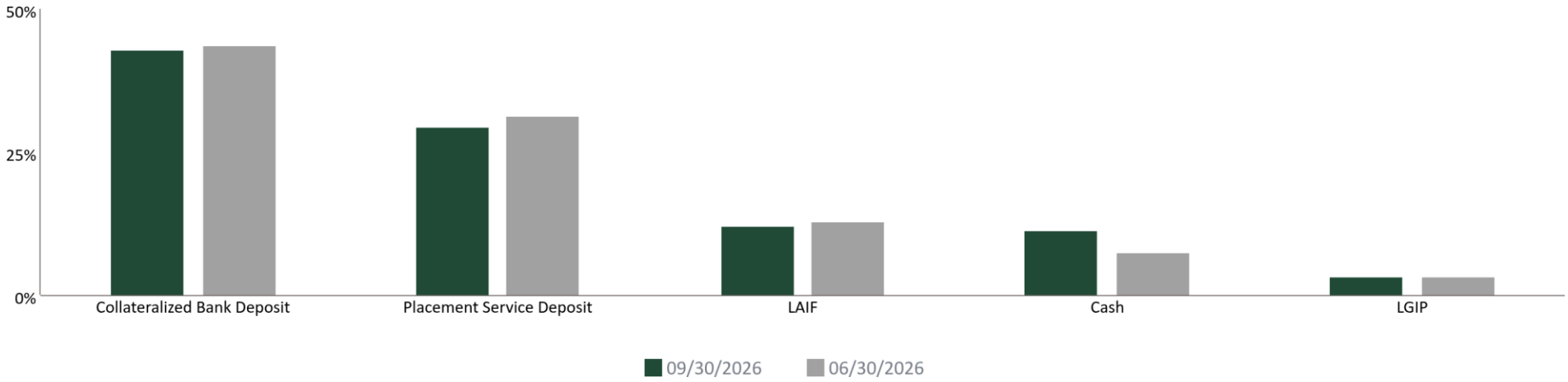
San Diego Community Power Reporting | Account #11451 | As of September 30, 2026

	9/30/2026 Portfolio	6/30/2026 Portfolio
Average Maturity (yrs)	0.00	0.00
Average Modified Duration	0.00	0.00
Average Purchase Yield	3.48%	3.60%
Average Market Yield	3.41%	3.60%
Average Quality**	AAA	AAA
Total Market Value	608,930,339	566,224,584

*Benchmark: NO BENCHMARK REQUIRED
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

San Diego Community Power Reporting | Account #11451 | As of September 30, 2026



Sector as a Percentage of Market Value

Sector	09/30/2026	06/30/2026
Collateralized Bank Deposit	42.90%	43.98%
Placement Service Deposit	29.64%	31.56%
LAIF	12.32%	13.25%
Cash	11.80%	7.66%
LGIP	3.34%	3.56%
Total	100.00%	100.00%

CHANDLER ASSET MANAGEMENT

PORTFOLIO HOLDINGS

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
362962AD4	GMALT 2025-2 A3 4.58 05/22/2028	285,000.00	05/20/2025 4.84%	284,995.27 284,997.40	100.04 4.54%	285,104.60 398.84	0.04% 107.20	NA/AAA AAA	1.64 0.41
096912AD2	BMWLT 2025-1 A3 4.43 06/26/2028	630,000.00	11/14/2025 3.99%	633,912.89 631,986.73	99.83 4.79%	628,919.55 465.15	0.08% (3,067.18)	NA/AAA AAA	1.74 0.54
47800RAD5	JDOT 2024 A3 4.96 11/15/2028	105,231.21	07/30/2024 4.82%	105,642.27 105,375.07	100.18 4.70%	105,420.11 231.98	0.01% 45.04	Aaa/NA AAA	2.13 0.57
437930AC4	HAROT 2024-2 A3 5.27 11/20/2028	70,860.42	07/19/2024 4.94%	71,461.07 71,088.32	100.33 4.63%	71,092.98 134.85	0.01% 4.65	NA/AAA AAA	2.14 0.47
89237NAD9	TAOT 2024-B A3 5.33 01/16/2029	77,765.99	07/19/2024 4.94%	78,567.96 78,081.62	100.40 4.62%	78,074.49 184.22	0.01% (7.13)	Aaa/AAA NA	2.30 0.52
161571HV9	CHAIT 241 A 4.6 01/16/2029	225,000.00	-- 4.61%	225,167.97 224,805.86	100.07 4.39%	225,160.20 460.00	0.03% 354.34	NA/AAA AAA	2.30 0.28
92970QAA3	WFCIT 2024-1 A 4.94 02/15/2029	500,000.00	07/30/2025 4.31%	504,980.47 501,216.47	100.19 4.47%	500,933.00 1,097.78	0.07% (283.47)	Aaa/AAA AAA	2.38 0.36
89240MAD6	TLOT 26A A3 3.82 02/20/2029	1,000,000.00	07/14/2026 4.54%	991,484.38 992,182.82	98.59 5.28%	985,926.00 1,167.22	0.13% (6,256.82)	NA/AAA AAA	2.39 0.99
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	71,047.10	07/19/2024 4.86%	71,532.77 71,240.87	100.26 4.72%	71,232.39 61.34	0.01% (8.48)	Aaa/AAA NA	2.41 0.50
36275AAD1	GMALT 2026-2 A3 4.3 03/20/2029	1,005,000.00	-- 4.42%	1,004,112.43 1,004,185.55	99.08 5.03%	995,778.12 1,320.46	0.13% (8,407.43)	NA/AAA AAA	2.47 1.33
43813YAC6	HAROT 2024-3 A3 4.57 03/21/2029	94,694.50	08/09/2024 4.66%	94,679.62 94,686.48	99.96 4.68%	94,657.28 120.21	0.01% (29.19)	Aaa/NA AAA	2.47 0.56
34531QAD1	FORDO 2024-B A3 5.1 04/15/2029	94,096.30	07/18/2024 4.79%	94,772.62 94,375.37	100.26 4.72%	94,343.77 213.28	0.01% (31.60)	Aaa/AAA NA	2.54 0.60
587918AD5	MBART 2024-1 A3 4.8 04/16/2029	121,427.17	-- 4.58%	122,093.59 121,685.42	100.10 4.63%	121,545.31 259.04	0.02% (140.11)	Aaa/AAA NA	2.54 0.44
58768YAD7	MBALT 2025-A A3 4.61 04/16/2029	1,310,000.00	-- 4.50%	1,312,227.84 1,311,984.85	99.75 4.87%	1,306,778.71 2,684.04	0.17% (5,206.14)	NA/AAA AAA	2.54 1.13
05522RDJ4	BACCT 2024-1 A 4.93 05/15/2029	193,000.00	07/30/2024 4.58%	194,771.68 193,393.32	100.20 4.65%	193,380.21 422.88	0.03% (13.11)	Aaa/AAA NA	2.62 0.60
05594YAD8	BMWLT 2026-1 A3 4.15 05/25/2029	560,000.00	04/14/2026 4.85%	559,938.12 559,947.00	98.78 5.06%	553,145.04 387.33	0.07% (6,801.96)	Aaa/NA AAA	2.65 1.41

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
477911AD3	JDOT 2024-C A3 4.06 06/15/2029	401,721.58	01/22/2025 4.72%	396,354.82 398,415.87	99.56 4.63%	399,954.80 724.88	0.05% 1,538.93	Aaa/NA AAA	2.71 0.81
02589BAE0	AMXCA 2024-3 A 4.65 07/15/2027	400,000.00	-- 2.88%	400,535.16 400,168.26	100.01 4.68%	400,050.80 826.67	0.05% (117.46)	NA/AAA AAA	0.79 0.76
34535VAD6	FORDO 2024-D A3 4.61 08/15/2029	194,123.12	11/19/2024 4.66%	194,116.89 194,119.33	99.90 4.80%	193,935.79 397.74	0.03% (183.54)	Aaa/NA AAA	2.87 0.68
89240JAD3	TAOT 2025-A A3 4.64 08/15/2029	276,457.35	01/22/2025 4.69%	276,446.26 276,450.34	99.97 4.73%	276,368.88 570.12	0.04% (81.46)	Aaa/NA AAA	2.87 0.69
47800DAD6	JDOT 2025 A3 4.23 09/17/2029	245,000.00	03/04/2025 5.09%	244,984.59 244,989.90	99.21 5.00%	243,064.75 460.60	0.03% (1,925.16)	Aaa/NA AAA	2.96 1.08
44935CAD3	HART 2025-A A3 4.32 10/15/2029	310,000.00	03/04/2025 4.84%	309,954.27 309,969.75	99.70 4.76%	309,057.91 595.20	0.04% (911.84)	NA/AAA AAA	3.04 0.76
437921AD1	HAROT 252 A3 4.15 10/15/2029	190,000.00	04/29/2025 4.15%	189,978.78 189,985.47	99.41 4.80%	188,884.70 350.44	0.03% (1,100.77)	Aaa/NA AAA	3.04 0.96
89231HAD8	TAOT 2025-B A3 4.34 11/15/2029	190,000.00	04/24/2025 4.82%	189,989.11 189,992.51	99.56 4.84%	189,154.50 366.49	0.03% (838.01)	NA/AAA AAA	3.13 0.96
362955AD8	GMCAR 2025-1 A3 4.62 12/17/2029	170,194.65	01/09/2025 5.03%	170,182.00 170,186.39	99.97 4.71%	170,145.63 327.62	0.02% (40.76)	Aaa/NA AAA	3.21 0.65
58773DAD6	MBART 2025-1 A3 4.78 12/17/2029	259,739.94	01/14/2025 4.84%	259,684.69 259,703.72	100.02 4.80%	259,786.95 551.80	0.03% 83.23	Aaa/NA AAA	3.21 0.70
02582JKP4	AMXCA 2025-2 A 4.28 04/15/2030	505,000.00	05/06/2025 4.28%	504,990.86 504,993.43	98.96 5.04%	499,731.34 960.62	0.07% (5,262.10)	NA/AAA AAA	3.54 1.45
362549AD9	GMCAR 2025-2 A3 4.28 04/16/2030	150,000.00	05/06/2025 4.71%	149,977.92 149,984.12	99.60 4.85%	149,397.60 267.50	0.02% (586.52)	Aaa/AAA NA	3.54 0.75
92970QAJ4	WFCIT 2025-1 A 4.34 05/15/2030	750,000.00	09/03/2025 3.90%	759,023.44 755,428.74	99.10 4.97%	743,262.75 1,446.67	0.10% (12,165.99)	NA/AAA AAA	3.62 1.53
17305EHA6	CCCIT 2025-A1 A1 4.3 06/21/2030	683,000.00	07/28/2026 4.50%	680,465.43 680,579.42	98.82 5.02%	674,955.63 8,158.06	0.09% (5,623.80)	Aaa/AAA NA	3.72 1.62
161571HZ0	CHAIT 2025-1 A 4.16 07/15/2030	1,500,000.00	-- 3.83%	1,513,632.81 1,508,823.29	98.55 5.06%	1,478,245.50 2,773.33	0.20% (30,577.79)	NA/AAA AAA	3.79 1.68
43814YAD3	HAROT 2026-2 A3 4.3 11/15/2030	920,000.00	05/05/2026 4.34%	919,973.41 919,975.69	98.48 5.20%	906,009.56 1,758.22	0.12% (13,966.13)	Aaa/AAA NA	4.13 1.77
47800VAD6	JDOT 26B A3 4.5 11/15/2030	590,000.00	07/14/2026 4.94%	589,926.31 589,929.63	98.49 5.18%	581,070.94 1,180.00	0.08% (8,858.69)	Aaa/NA AAA	4.13 2.36

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
89240QAD7	TAOT 2026-B A3 4.13 12/16/2030	455,000.00	04/14/2026 4.27%	454,904.04 454,913.24	98.27 5.15%	447,138.51 835.18	0.06% (7,774.73)	Aaa/AAA NA	4.21 1.76
44935KAD5	HART 2026-B A3 4.51 02/18/2031	700,000.00	06/09/2026 4.86%	699,915.51 699,920.76	98.77 5.16%	691,378.80 1,403.11	0.09% (8,541.96)	NA/AAA AAA	4.39 2.04
92348KFC2	VZMT 2026-1 A1A 3.94 02/20/2031	1,050,000.00	06/29/2026 4.38%	1,043,437.50 1,043,797.35	98.50 5.00%	1,034,201.70 1,264.08	0.14% (9,595.65)	Aaa/NA AAA	4.39 1.85
89231DAD7	TAOT 2026-C A3 4.51 03/17/2031	670,000.00	07/14/2026 4.80%	669,902.58 669,906.71	98.67 5.20%	661,109.10 1,342.98	0.09% (8,797.61)	NA/AAA AAA	4.46 2.07
92970QAK1	WFCIT 2026-1 A 4.08 04/16/2029	600,000.00	08/05/2026 4.51%	594,140.63 594,474.09	97.44 5.21%	584,652.00 1,088.00	0.08% (9,822.09)	Aaa/NA AAA	2.54 2.35
14041NGJ4	COMET 2026-1 A 4.48 07/16/2029	1,375,000.00	07/09/2026 4.53%	1,374,680.45 1,374,702.90	98.23 5.22%	1,350,661.13 2,737.78	0.18% (24,041.78)	NA/AAA AAA	2.79 2.55
02582JKX7	AMXCA 261 A 4.99 09/17/2029	1,205,000.00	09/15/2026 5.05%	1,204,746.23 1,204,748.32	99.51 5.23%	1,199,081.04 1,503.24	0.16% (5,667.28)	NA/AAA AAA	2.96 2.68
Total ABS		**20,133,359.31**	**4.48%**	**20,142,284.65** **20,127,392.39**	**99.06** **5.00%**	**19,942,792.05** **41,498.97**	**2.65%** **(184,600.33)**		**3.12** **1.50**
AGENCY									
3133ERMB4	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.25 07/23/2027	200,000.00	07/18/2024 4.26%	199,938.00 199,983.30	99.74 4.57%	199,484.80 1,605.56	0.03% (498.50)	Aa1/AA+ AA+	0.81 0.78
Total Agency		**200,000.00**	**4.26%**	**199,938.00** **199,983.30**	**99.74** **4.57%**	**199,484.80** **1,605.56**	**0.03%** **(498.50)**		**0.81** **0.78**
AGENCY CMBS									
3137FJEH8	FHMS K-081 A2 3.9 08/25/2028	200,000.00	07/18/2024 4.54%	195,093.75 197,763.82	97.74 5.08%	195,477.00 650.00	0.03% (2,286.82)	Aa1/AA+ AAA	1.90 1.76
3137FJKE8	FHMS K-082 A2 3.92 09/25/2028	413,000.00	08/29/2024 4.07%	410,096.09 411,603.81	97.72 5.09%	403,575.34 1,349.13	0.05% (8,028.47)	Aa1/AA+ AAA	1.99 1.79
3137FJZ93	FHMS K-084 A2 3.78 10/25/2028	400,000.00	-- 4.29%	391,750.00 396,040.62	97.16 5.20%	388,654.00 1,260.00	0.05% (7,386.62)	Aaa/AA+ AA+	2.07 1.89
3137FK4M5	FHMS K-085 A2 4.06 10/25/2028	700,000.00	07/30/2025 4.17%	696,472.66 697,773.33	97.80 5.12%	684,605.60 2,368.33	0.09% (13,167.73)	Aaa/AA+ AA+	2.07 1.90

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3137FKSH0	FHMS K-086 A2 3.859 11/25/2028	400,000.00	-- 4.29%	392,882.81 396,512.76	97.24 5.18%	388,942.00 1,286.33	0.05% (7,570.76)	Aaa/AA+ AA+	2.15 1.97
3137FKUP9	FHMS K-087 A2 3.771 12/25/2028	576,757.29	12/11/2024 4.39%	563,397.25 569,439.76	97.04 5.18%	559,711.23 1,812.46	0.07% (9,728.53)	Aa1/AAA AA+	2.24 1.99
3137FKZZ2	FHMS K-088 A2 3.69 01/25/2029	303,000.00	-- 4.34%	294,821.25 298,841.20	96.71 5.19%	293,034.33 931.73	0.04% (5,806.87)	Aaa/AA+ AA+	2.32 2.09
3137H5YC5	FHMS K-748 A2 2.26 01/25/2029	500,000.00	08/26/2024 4.07%	464,140.62 481,392.01	93.73 5.23%	468,646.50 941.67	0.06% (12,745.51)	Aa1/AA+ AAA	2.32 2.12
3137FLMV3	FHMS K-090 A2 3.422 02/25/2029	200,000.00	07/29/2024 4.46%	191,414.06 195,548.03	95.96 5.21%	191,921.80 570.33	0.03% (3,626.23)	Aa1/AAA AA+	2.41 2.19
3137FLN91	FHMS K-091 A2 3.505 03/25/2029	486,000.00	01/14/2025 4.85%	461,889.84 471,860.93	96.09 5.22%	467,003.72 1,419.53	0.06% (4,857.21)	Aa1/AAA AA+	2.48 2.22
3137FLYV0	FHMS K-092 A2 3.298 04/25/2029	500,000.00	08/07/2024 4.20%	480,722.66 489,604.13	95.39 5.24%	476,933.00 1,374.17	0.06% (12,671.13)	Aa1/AA+ AAA	2.57 2.33
3137FMCR1	FHMS K-093 A2 2.982 05/25/2029	536,482.55	12/19/2024 4.70%	501,254.93 515,576.54	94.91 5.16%	509,159.49 1,333.16	0.07% (6,417.05)	Aa1/AA+ AAA	2.65 2.31
3137FNAE0	FHMS K-095 A2 2.785 06/25/2029	200,000.00	07/17/2024 4.47%	185,398.44 192,005.67	93.91 5.26%	187,824.80 464.17	0.02% (4,180.87)	Aa1/AA+ AAA	2.73 2.46
3137FMTY8	FHMS K-094 A2 2.903 06/25/2029	1,030,000.00	07/28/2026 4.54%	984,615.63 987,331.68	94.11 5.27%	969,331.97 2,491.74	0.13% (17,999.71)	Aa1/AA+ AAA	2.73 2.49
3137FNX54	FHMS K-097 A2 2.508 07/25/2029	425,000.00	12/19/2024 4.70%	386,982.42 401,866.88	92.94 5.23%	395,015.40 888.25	0.05% (6,851.48)	Aaa/AA+ AA+	2.82 2.62
3137H9D71	FHMS K-750 A2 3.0 09/25/2029	600,000.00	11/05/2024 4.55%	562,218.75 577,090.55	94.48 5.27%	566,897.40 1,500.00	0.08% (10,193.15)	Aa1/AA+ AAA	2.99 2.42
3137FQ3Z4	FHMS K-101 A2 2.524 10/25/2029	495,000.00	12/20/2024 4.69%	449,560.55 466,378.37	92.33 5.29%	457,020.63 1,041.15	0.06% (9,357.74)	Aa1/AA+ AA+	3.07 2.81
3137FQKC6	FHMS K-102 A2 2.537 10/25/2029	750,000.00	09/03/2025 3.94%	710,537.11 720,854.90	92.45 5.29%	693,342.75 1,585.63	0.09% (27,512.15)	Aa1/AA+ AAA	3.07 2.78
3137FQKN2	FHMS K-103 A2 2.651 11/25/2029	453,000.00	12/20/2024 4.69%	413,344.81 427,764.88	92.51 5.30%	419,082.98 1,000.75	0.06% (8,681.90)	Aa1/AA+ AAA	3.15 2.87
3137FRUT6	FHMS K-106 A2 2.069 01/25/2030	750,000.00	06/17/2025 4.27%	682,089.84 701,193.42	90.30 5.31%	677,253.00 1,293.13	0.09% (23,940.42)	Aa1/AA+ AAA	3.32 3.09
3137HA4B9	FHMS K-751 A2 4.412 03/25/2030	600,000.00	03/24/2025 4.40%	599,578.13 599,707.74	97.27 5.32%	583,647.00 2,206.00	0.08% (16,060.74)	Aaa/AA+ AA+	3.48 2.85

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3137FWG79	FHMS K-115 A2 1.383 06/25/2030	1,344,000.00	--	1,188,790.16	86.86	1,167,367.49	0.16%	Aa1/AA+	3.73
			4.47%	1,205,488.85	5.35%	1,548.96	(38,121.37)	AAA	3.50
3137FVNG3	FHMS K-114 A2 1.366 06/25/2030	750,000.00	01/28/2026	670,546.88	86.81	651,047.25	0.09%	Aa1/AA+	3.73
			4.02%	682,793.60	5.33%	853.75	(31,746.35)	AAA	3.52
3137F62M8	FHMS K-118 A2 1.493 09/25/2030	1,300,000.00	--	1,158,136.72	86.55	1,125,156.50	0.15%	Aa1/AA+	3.99
			4.20%	1,175,437.82	5.34%	1,617.42	(50,281.32)	AAA	3.69
3137F72P9	FHMS K-120 A2 1.5 10/25/2030	600,000.00	12/15/2025	535,054.69	86.09	516,553.80	0.07%	Aa1/AA+	4.07
			3.98%	545,717.91	5.37%	750.00	(29,164.11)	AAA	3.81
3137F8ZV8	FHMS K-123 A2 1.621 12/25/2030	750,000.00	01/29/2026	670,839.85	86.26	646,971.75	0.09%	Aa1/AA+	4.24
			4.05%	681,777.04	5.36%	1,013.13	(34,805.29)	AAA	3.88
3137F9Z79	FHMS K-125 A2 1.846 01/25/2031	1,300,000.00	--	1,159,433.59	86.71	1,127,274.20	0.15%	Aa1/AA+	4.32
			4.49%	1,168,785.17	5.37%	1,999.83	(41,510.97)	AAA	3.98
3137FXZ35	FHMS K-127 A2 2.108 01/25/2031	750,000.00	01/29/2026	684,550.78	87.80	658,502.25	0.09%	Aa1/AA+	4.32
			4.06%	693,437.60	5.32%	1,317.50	(34,935.35)	AAA	3.98
Total Agency CMBS		**17,312,239.84**	**4.34%**	**16,085,614.26**	**91.87**	**15,869,953.18**	**2.11%**		**3.17**
				16,349,589.01	**5.27%**	**36,868.23**	**(479,635.83)**		**2.89**
CASH									
90RCBB$01	RCB Lock Box x0584	16,972,484.49	--	16,972,484.49	1.00	16,972,484.49	2.26%	NA/NA	0.00
			0.00%	16,972,484.49	0.00%	0.00	0.00	NA	0.00
90RCBB$02	RCB Operating x7892	51,858,642.11	--	51,858,642.11	1.00	51,858,642.11	6.90%	NA/NA	0.00
			0.00%	51,858,642.11	0.00%	0.00	0.00	NA	0.00
90JPMC$10	Chase Checking x9617	2,293,149.98	--	2,293,149.98	1.00	2,293,149.98	0.30%	NA/NA	0.00
			1.15%	2,293,149.98	1.15%	0.00	0.00	NA	0.00
CCYUSD	Receivable	3,276.75	--	3,276.75	1.00	3,276.75	0.00%	Aaa/AAA	0.00
				3,276.75		0.00	0.00	AAA	0.00
CCYUSD	Receivable	757,706.72	--	757,706.72	1.00	757,706.72	0.10%	Aaa/AAA	0.00
				757,706.72		0.00	0.00	AAA	0.00
Total Cash		**71,885,260.05**	**0.04%**	**71,885,260.05**	**1.00**	**71,885,260.05**	**9.56%**		**0.00**
				71,885,260.05	**0.04%**	**0.00**	**0.00**		**0.00**
COLLATERALIZED BANK DEPOSIT									

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
90RCBB$03	RCB MMKT	261,259,051.06	-- 3.92%	261,259,051.06 261,259,051.06	1.00 3.74%	261,259,051.06 0.00	34.74% 0.00	NA/NA NA	0.00 0.00
Total Collateralized Bank Deposit		**261,259,051.06**	**3.92%**	**261,259,051.06 261,259,051.06**	**1.00 3.74%**	**261,259,051.06 0.00**	**34.74% 0.00**		**0.00 0.00**
CORPORATE									
69371RT30	PACCAR FINANCIAL CORP 4.45 08/06/2027	255,000.00	08/01/2024 4.50%	254,660.85 254,904.29	99.77 4.73%	254,405.60 1,733.65	0.03% (498.70)	A1/A+ NA	0.85 0.82
89236TKQ7	TOYOTA MOTOR CREDIT CORP 4.625 01/12/2028	150,000.00	07/18/2024 4.65%	149,856.00 149,947.02	99.58 4.96%	149,372.10 1,522.40	0.02% (574.92)	A1/A+ A+	1.28 1.22
95000U3R2	WELLS FARGO & CO 4.9 01/24/2028	500,000.00	01/16/2025 4.90%	500,000.00 500,000.00	99.97 4.76%	499,839.50 4,559.72	0.07% (160.50)	A1/A- A+	1.32 0.31
74460WAD9	PUBLIC STORAGE OPERATING CO 1.85 05/01/2028	300,000.00	-- 4.61%	271,762.50 288,080.77	94.96 5.21%	284,866.50 2,312.50	0.04% (3,214.27)	A2/A NA	1.59 1.52
64952WFD0	NEW YORK LIFE GLOBAL FUNDING 4.9 06/13/2028	750,000.00	07/30/2025 4.24%	763,215.00 757,830.64	99.45 5.24%	745,860.00 11,025.00	0.10% (11,970.64)	Aa1/AA+ AAA	1.70 1.59
87612EBU9	TARGET CORP 4.35 06/15/2028	230,000.00	06/05/2025 4.35%	229,997.70 229,998.70	98.87 5.05%	227,397.09 2,945.92	0.03% (2,601.61)	A2/A NA	1.71 1.60
06406RBX4	BANK OF NEW YORK MELLON CORP 4.89 07/21/2028	500,000.00	-- 4.67%	502,804.00 500,801.30	99.93 4.85%	499,652.50 4,754.17	0.07% (1,148.80)	Aa3/A AA-	1.81 0.77
46647PEL6	JPMORGAN CHASE & CO 4.979 07/22/2028	300,000.00	-- 4.80%	301,428.00 300,388.64	99.94 4.93%	299,832.90 2,862.93	0.04% (555.74)	A1/A AA-	1.81 0.78
06051GKW8	BANK OF AMERICA CORP 4.948 07/22/2028	300,000.00	-- 4.88%	300,574.50 300,157.07	99.93 5.54%	299,777.10 2,845.10	0.04% (379.97)	A1/A- AA-	1.81 0.78
61744YAK4	MORGAN STANLEY 3.591 07/22/2028	300,000.00	-- 4.66%	288,472.50 294,768.06	98.63 4.40%	295,876.80 2,064.83	0.04% 1,108.74	A1/A- A+	1.81 0.78
40139LBM4	GUARDIAN LIFE GLOBAL FUNDING 4.066 09/05/2028	750,000.00	09/03/2025 3.98%	751,785.00 751,148.20	97.86 5.25%	733,941.75 2,202.42	0.10% (17,206.45)	Aa1/AA+ NA	1.93 1.82
61690DK72	MORGAN STANLEY BANK NA 5.016 01/12/2029	300,000.00	01/16/2025 4.99%	300,258.00 300,111.18	99.75 5.04%	299,257.80 3,302.20	0.04% (853.38)	Aa3/A+ AA	2.28 1.21
58989V2M5	MET TOWER GLOBAL FUNDING 4.0 01/14/2029	660,000.00	01/07/2026 4.05%	659,148.60 659,350.57	97.04 5.39%	640,472.58 5,646.67	0.09% (18,877.99)	Aa3/AA- AA-	2.29 2.13

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91324PEU2	UNITEDHEALTH GROUP INC 4.25 01/15/2029	300,000.00	-- 4.42%	297,930.00 298,944.03	97.69 5.33%	293,068.50 2,691.67	0.04% (5,875.53)	A2/A+ A	2.29 2.13
69371RS80	PACCAR FINANCIAL CORP 4.6 01/31/2029	150,000.00	07/18/2024 4.64%	149,755.50 149,874.13	98.69 5.20%	148,036.95 1,169.17	0.02% (1,837.18)	A1/A+ NA	2.34 2.16
74340XBL4	PROLOGIS LP 4.375 02/01/2029	300,000.00	-- 4.55%	297,844.50 298,887.37	97.90 5.34%	293,714.70 2,187.50	0.04% (5,172.67)	A2/A NA	2.34 2.17
61747YFD2	MORGAN STANLEY 5.164 04/20/2029	300,000.00	11/07/2024 4.78%	303,570.00 301,607.78	99.62 5.45%	298,868.10 6,928.37	0.04% (2,739.68)	A1/A- A+	2.55 1.44
025816ED7	AMERICAN EXPRESS CO 4.731 04/25/2029	750,000.00	-- 4.64%	751,898.75 751,021.18	99.24 5.21%	744,324.00 15,375.75	0.10% (6,697.18)	A2/A- A	2.57 1.46
44891AEN3	HYUNDAI CAPITAL AMERICA 4.75 06/18/2029	1,000,000.00	06/22/2026 4.90%	995,740.00 996,130.47	97.67 5.69%	976,702.00 13,590.28	0.13% (19,428.47)	A3/A- A-	2.71 2.47
437076DC3	HOME DEPOT INC 4.75 06/25/2029	750,000.00	-- 4.41%	759,603.00 756,062.22	98.78 5.23%	740,847.00 9,500.00	0.10% (15,215.22)	A2/A A	2.73 2.50
713448FX1	PEPSICO, INC. 4.5 07/17/2029	300,000.00	-- 4.24%	303,396.00 301,900.65	98.14 5.22%	294,408.00 2,775.00	0.04% (7,492.65)	A1/A+ NA	2.79 2.57
06051GHM4	BANK OF AMERICA CORPORATION 4.271 07/23/2029	600,000.00	-- 4.73%	591,312.00 595,427.00	98.04 5.51%	588,244.80 4,840.47	0.08% (7,182.20)	A1/A- AA-	2.81 1.70
46647PAV8	JPMORGAN CHASE & CO 4.203 07/23/2029	300,000.00	11/07/2024 4.77%	294,291.00 297,210.90	98.02 5.45%	294,051.00 2,381.70	0.04% (3,159.90)	A1/A AA-	2.81 1.70
89236TMK8	TOYOTA MOTOR CREDIT CORP 4.55 08/09/2029	250,000.00	08/07/2024 4.57%	249,790.00 249,880.05	97.93 5.34%	244,814.00 1,643.06	0.03% (5,066.05)	A1/A+ A+	2.86 2.62
532457CQ9	ELI LILLY AND COMPANY 4.2 08/14/2029	300,000.00	-- 4.19%	300,181.75 300,100.33	97.44 5.17%	292,323.00 1,645.00	0.04% (7,777.33)	Aa3/AA- NA	2.87 2.65
171239AL0	CHUBB INA HOLDINGS LLC 4.65 08/15/2029	400,000.00	-- 4.53%	401,978.29 401,149.05	98.12 5.36%	392,474.00 2,376.67	0.05% (8,675.05)	A2/A A	2.87 2.63
30303M8S4	META PLATFORMS, INC. 4.3 08/15/2029	300,000.00	-- 4.28%	300,268.23 300,149.95	97.69 5.17%	293,064.30 1,648.33	0.04% (7,085.65)	Aa3/AA- NA	2.87 2.65
02665WFQ9	AMERICAN HONDA FINANCE CORP 4.4 09/05/2029	250,000.00	10/02/2024 4.29%	251,157.50 250,688.83	96.91 5.56%	242,279.50 794.44	0.03% (8,409.33)	A3/BBB+ A-	2.93 2.69
38141GD27	GOLDMAN SACHS GROUP INC 4.153 10/21/2029	970,000.00	-- 4.25%	970,195.00 970,133.98	97.27 5.32%	943,531.61 17,904.04	0.13% (26,602.37)	A2/BBB+ A	3.06 1.90
14913UAU4	CATERPILLAR FINANCIAL SERVICES CORP 4.7 11/15/2029	300,000.00	11/14/2024 4.74%	299,523.00 299,701.94	98.28 5.30%	294,846.60 5,326.67	0.04% (4,855.34)	A1/A A+	3.13 2.81

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
00287YBX6	ABBVIE INC. 3.2 11/21/2029	750,000.00	10/23/2025 3.99%	727,957.50 733,020.32	93.59 5.45%	701,907.75 8,666.67	0.09% (31,112.57)	A2/A- NA	3.14 2.89
89236TNA9	TOYOTA MOTOR CREDIT CORP 4.95 01/09/2030	430,000.00	01/06/2025 5.00%	429,079.80 429,397.28	98.53 5.44%	423,663.52 4,848.25	0.06% (5,733.76)	A1/A+ A+	3.28 2.95
46647PEB8	JPMORGAN CHASE & CO 5.012 01/23/2030	250,000.00	01/21/2025 5.02%	249,937.50 249,963.85	98.94 5.42%	247,345.50 2,366.78	0.03% (2,618.35)	A1/A AA-	3.31 2.13
95000U3J0	WELLS FARGO & CO 5.198 01/23/2030	400,000.00	01/22/2025 5.13%	400,988.00 400,571.43	99.18 5.53%	396,726.40 3,927.38	0.05% (3,845.03)	A1/A- A+	3.31 2.13
02665WFY2	AMERICAN HONDA FINANCE CORP 4.8 03/05/2030	425,000.00	03/03/2025 4.82%	424,626.00 424,743.77	97.22 5.70%	413,192.65 1,473.33	0.05% (11,551.12)	A3/BBB+ A-	3.43 3.10
571748CA8	MARSH & MCLENNAN COMPANIES INC 4.65 03/15/2030	750,000.00	-- 4.66%	749,787.00 749,863.21	97.21 5.55%	729,048.75 1,550.00	0.10% (20,814.46)	A3/A- A-	3.45 3.13
59217GEG0	METROPOLITAN LIFE GLOBAL FUNDING I 2.95 04/09/2030	750,000.00	09/03/2025 4.27%	709,170.00 718,708.36	91.59 5.61%	686,915.25 10,570.83	0.09% (31,793.11)	Aa3/AA- AA-	3.52 3.22
57629TBX4	MASSMUTUAL GLOBAL FUNDING II 4.55 05/07/2030	750,000.00	07/30/2025 4.51%	751,192.50 750,900.03	96.36 5.68%	722,678.25 13,650.00	0.10% (28,221.78)	Aa3/AA+ AA+	3.60 3.20
69371RT71	PACCAR FINANCIAL CORP 4.55 05/08/2030	680,000.00	05/05/2025 4.59%	678,946.00 679,240.96	97.58 5.29%	663,573.92 12,290.06	0.09% (15,667.04)	A1/A+ NA	3.60 3.21
747525BU6	QUALCOMM INC 4.5 05/20/2030	750,000.00	06/17/2025 4.45%	751,582.50 751,161.57	97.45 5.28%	730,910.25 12,281.25	0.10% (20,251.32)	A2/A NA	3.64 3.25
74153WCW7	PRICOA GLOBAL FUNDING I 4.7 05/28/2030	750,000.00	07/30/2025 4.55%	754,680.00 753,545.86	97.12 5.58%	728,433.75 12,043.75	0.10% (25,112.11)	Aa3/AA- AA-	3.66 3.25
74464AAC5	PUBLIC STORAGE OPERATING CO 4.375 07/01/2030	500,000.00	07/01/2025 4.44%	498,665.00 498,998.57	96.30 5.48%	481,515.50 5,468.75	0.06% (17,483.07)	A2/A NA	3.75 3.36
828807DK0	SIMON PROPERTY GROUP LP 2.65 07/15/2030	750,000.00	07/30/2025 4.46%	690,165.00 704,280.77	90.26 5.53%	676,917.75 4,195.83	0.09% (27,363.02)	A3/A NA	3.79 3.50
713448GH5	PEPSICO, INC. 4.3 07/23/2030	500,000.00	07/30/2025 4.36%	498,710.00 499,012.99	96.95 5.19%	484,738.50 4,061.11	0.06% (14,274.49)	A1/A+ NA	3.81 3.43
48128BAV3	JPMORGAN CHASE & CO 4.864 07/23/2030	1,000,000.00	07/28/2026 4.85%	997,390.00 997,504.80	98.04 5.41%	980,430.00 9,187.56	0.13% (17,074.80)	A1/A AA-	3.81 2.56
437076DJ8	THE HOME DEPOT, INC. 3.95 09/15/2030	685,000.00	09/08/2025 4.03%	682,540.85 683,053.96	95.04 5.36%	651,013.73 1,202.56	0.09% (32,040.23)	A2/A A	3.96 3.59
40139LBN2	GUARDIAN LIFE GLOBAL FUNDING 4.327 10/06/2030	750,000.00	09/30/2025 4.33%	750,000.00 750,000.00	95.29 5.65%	714,705.75 15,775.52	0.10% (35,294.25)	Aa1/AA+ NA	4.02 3.54

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
24422EYF0	JOHN DEERE CAPITAL CORP 4.375 10/15/2030	1,000,000.00	11/04/2025 4.22%	1,006,920.00 1,005,654.85	96.14 5.45%	961,374.00 20,173.61	0.13% (44,280.85)	A1/A A+	4.04 3.57
141781CF9	CARGILL INC 4.125 10/23/2030	750,000.00	-- 4.14%	749,433.50 749,539.83	95.01 5.51%	712,581.00 13,578.13	0.09% (36,958.83)	A2/A NA	4.06 3.60
717081FD0	PFIZER INC. 4.2 11/15/2030	700,000.00	12/08/2025 4.18%	700,518.00 700,431.42	95.58 5.41%	669,043.20 11,106.67	0.09% (31,388.22)	A2/A NA	4.13 3.66
30303MAB8	META PLATFORMS INC 4.2 11/15/2030	800,000.00	04/23/2026 4.36%	794,800.00 795,299.40	94.75 5.64%	757,978.40 12,693.33	0.10% (37,321.00)	Aa3/AA- NA	4.13 3.65
023135CT1	AMAZON.COM INC 4.1 11/20/2030	1,000,000.00	04/28/2026 4.38%	988,560.00 989,624.35	94.93 5.48%	949,318.00 14,919.44	0.13% (40,306.35)	A1/AA AA-	4.14 3.68
14913UBH2	CATERPILLAR FINANCIAL SERVICES CORP 4.15 01/08/2031	1,010,000.00	01/05/2026 4.16%	1,009,636.40 1,009,689.37	95.05 5.46%	959,987.83 9,663.74	0.13% (49,701.54)	A1/A A+	4.27 3.80
89236TPH2	TOYOTA MOTOR CREDIT CORP 4.2 01/10/2031	545,000.00	01/07/2026 4.21%	544,831.05 544,855.32	95.02 5.52%	517,843.74 5,150.25	0.07% (27,011.58)	A1/A+ A+	4.28 3.81
66815L2Z1	NORTHWESTERN MUTUAL GLOBAL FUNDING 4.3 01/13/2031	685,000.00	01/06/2026 4.30%	684,938.35 684,947.16	95.22 5.57%	652,244.67 6,381.92	0.09% (32,702.49)	Aa1/AA+ AAA	4.29 3.81
92826CAZ5	VISA INC. 4.1 02/12/2031	745,000.00	02/03/2026 4.13%	744,001.70 744,127.99	95.59 5.24%	712,124.64 4,157.51	0.09% (32,003.35)	Aa3/AA- NA	4.37 3.91
91159HJT8	U.S. BANCORP 5.046 02/12/2031	1,000,000.00	07/29/2026 5.01%	1,001,040.00 1,000,989.33	97.87 5.59%	978,709.00 6,868.17	0.13% (22,280.33)	A3/A A	4.37 3.03
756109CD4	REALTY INCOME CORP 3.2 02/15/2031	800,000.00	05/28/2026 4.71%	749,296.00 752,974.47	90.41 5.71%	723,276.80 3,271.11	0.10% (29,697.67)	A3/A- NA	4.38 3.97
743315BC6	THE PROGRESSIVE CORPORATION 4.6 03/26/2031	750,000.00	03/26/2026 4.67%	747,682.50 747,921.23	95.88 5.65%	719,064.75 479.17	0.10% (28,856.48)	A2/A A	4.48 3.98
532457DL9	ELI LILLY AND CO 4.375 05/20/2031	825,000.00	-- 4.39%	824,349.25 824,397.01	95.63 5.45%	788,964.00 13,134.11	0.10% (35,433.01)	Aa3/AA- NA	4.64 4.06
58933YCK9	MERCK & CO INC 4.65 05/22/2031	1,000,000.00	07/28/2026 4.75%	995,810.00 995,962.54	96.63 5.48%	966,347.00 16,662.50	0.13% (29,615.54)	Aa3/A+ NA	4.64 4.04
57636QBL7	MASTERCARD INCORPORATED 4.6 06/08/2031	1,060,000.00	06/04/2026 4.62%	1,059,152.00 1,059,205.41	96.21 5.53%	1,019,811.16 15,305.22	0.14% (39,394.25)	Aa3/A+ NA	4.69 4.08
67066GAR5	NVIDIA CORP 4.5 06/15/2031	1,340,000.00	-- 4.67%	1,330,174.00 1,330,622.55	95.63 5.57%	1,281,388.40 17,252.50	0.17% (49,234.15)	Aa1/AA NA	4.71 4.11
74340XCU3	PROLOGIS LP 4.25 06/15/2031	800,000.00	06/16/2026 4.61%	787,272.00 788,011.68	94.38 5.62%	755,048.00 14,922.22	0.10% (32,963.68)	A2/A NA	4.71 4.10

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
023135EC6	AMAZON.COM INC 4.8 07/09/2031	895,000.00	07/07/2026 4.83%	893,863.35 893,915.64	96.74 5.59%	865,818.53 9,785.33	0.12% (28,097.11)	A1/AA AA-	4.77 4.15
Total Corporate		**39,390,000.00**	**4.50%**	**39,150,092.92** **39,198,493.58**	**96.60** **5.42%**	**38,030,790.61** **459,620.14**	**5.06%** **(1,167,702.98)**		**3.51** **2.97**
LAIF									
90LAIF$00	Local Agency Investment Fund State Pool	74,999,959.84	-- 3.94%	74,999,959.84 74,999,959.84	1.00 3.94%	74,999,959.84 0.00	9.97% 0.00	NA/NA NA	0.00 0.00
Total LAIF		**74,999,959.84**	**3.94%**	**74,999,959.84** **74,999,959.84**	**1.00** **3.94%**	**74,999,959.84** **0.00**	**9.97%** **0.00**		**0.00** **0.00**
LOCAL GOV INVESTMENT POOL									
90CAMP$00	CAMP	10,132,950.96	-- 3.87%	10,132,950.96 10,132,950.96	1.00 3.87%	10,132,950.96 0.00	1.35% 0.00	NA/AAAm NA	0.00 0.00
90CALFT$0	CalFIT	10,197,982.83	-- 3.86%	10,197,982.83 10,197,982.83	1.00 3.86%	10,197,982.83 0.00	1.36% 0.00	NA/AAAm NA	0.00 0.00
Total Local Gov Investment Pool		**20,330,933.79**	**3.86%**	**20,330,933.79** **20,330,933.79**	**1.00** **3.86%**	**20,330,933.79** **0.00**	**2.70%** **0.00**		**0.00** **0.00**
MONEY MARKET FUND									
31846V203	FIRST AMER:GVT OBLG Y	212,217.87	-- 3.46%	212,217.87 212,217.87	1.00 3.46%	212,217.87 0.00	0.03% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		**212,217.87**	**3.46%**	**212,217.87** **212,217.87**	**1.00** **3.46%**	**212,217.87** **0.00**	**0.03%** **0.00**		**0.00** **0.00**
MUNICIPAL BONDS									
13063EGT7	CALIFORNIA STATE 4.5 08/01/2029	400,000.00	11/05/2024 4.38%	402,056.00 401,232.17	97.97 5.28%	391,868.40 3,000.00	0.05% (9,363.77)	Aa2/AA- AA	2.84 2.60
13063DRE0	STATE OF CALIFORNIA 2.5 10/01/2029	500,000.00	03/24/2025 4.33%	462,780.00 475,291.87	92.24 5.34%	461,184.50 6,250.00	0.06% (14,107.37)	Aa2/AA- AA	3.00 2.83

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
Total Municipal Bonds		**900,000.00**	**4.35%**	**864,836.00** **876,524.04**	**94.87** **5.31%**	**853,052.90** **9,250.00**	**0.11%** **(23,471.14)**		**2.93** **2.72**
PLACEMENT SERVICE DEPOSIT									
90RCBB$04	RCB ICS	180,458,411.50	-- 3.97%	180,458,411.50 180,458,411.50	1.00 3.98%	180,458,411.50 0.00	24.00% 0.00	NA/NA NA	0.00 0.00
Total Placement Service Deposit		**180,458,411.50**	**3.97%**	**180,458,411.50** **180,458,411.50**	**1.00** **3.98%**	**180,458,411.50** **0.00**	**24.00%** **0.00**		**0.00** **0.00**
SUPRANATIONAL									
459058LY7	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.5 10/28/2030	1,000,000.00	10/28/2025 3.68%	991,720.00 993,248.96	94.31 5.06%	943,116.00 14,875.00	0.13% (50,132.96)	Aaa/AAA NA	4.08 3.67
Total Supranational		**1,000,000.00**	**3.68%**	**991,720.00** **993,248.96**	**94.31** **5.06%**	**943,116.00** **14,875.00**	**0.13%** **(50,132.96)**		**4.08** **3.67**
US TREASURY									
91282CMP3	UNITED STATES TREASURY 4.125 02/28/2027	1,500,000.00	08/14/2025 3.81%	1,507,031.25 1,501,876.67	99.94 4.26%	1,499,083.50 5,298.69	0.20% (2,793.17)	Aa1/AA+ AA+	0.41 0.41
91282CEN7	UNITED STATES TREASURY 2.75 04/30/2027	500,000.00	09/11/2024 3.52%	490,390.63 497,887.94	99.07 4.38%	495,371.00 5,754.08	0.07% (2,516.94)	Aa1/AA+ AA+	0.58 0.56
91282CET4	UNITED STATES TREASURY 2.625 05/31/2027	1,000,000.00	-- 3.74%	976,054.69 992,960.22	98.83 4.43%	988,268.00 8,821.72	0.13% (4,692.22)	Aa1/AA+ AA+	0.67 0.64
91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	1,200,000.00	03/27/2025 3.99%	1,180,828.13 1,193,671.42	99.11 4.47%	1,189,322.40 9,855.98	0.16% (4,349.02)	Aa1/AA+ AA+	0.75 0.72
91282CKZ3	UNITED STATES TREASURY 4.375 07/15/2027	500,000.00	-- 3.94%	505,843.75 501,585.60	99.90 4.50%	499,500.00 4,636.55	0.07% (2,085.60)	Aa1/AA+ AA+	0.79 0.76
91282CNP2	UNITED STATES TREASURY 3.875 07/31/2027	1,000,000.00	07/30/2025 3.92%	999,101.56 999,627.08	99.44 4.56%	994,419.00 6,528.53	0.13% (5,208.08)	Aa1/AA+ AA+	0.83 0.80
91282CLG4	UNITED STATES TREASURY 3.75 08/15/2027	2,000,000.00	06/23/2025 3.81%	1,997,343.75 1,998,919.84	99.31 4.56%	1,986,156.00 9,578.80	0.26% (12,763.84)	Aa1/AA+ AA+	0.87 0.84

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CFM8	UNITED STATES TREASURY 4.125 09/30/2027	1,200,000.00	03/27/2025 4.00%	1,203,656.25 1,201,452.92	99.54 4.60%	1,194,506.40 135.99	0.16% (6,946.52)	Aa1/AA+ AA+	1.00 0.96
91282CLQ2	UNITED STATES TREASURY 3.875 10/15/2027	1,000,000.00	11/12/2024 4.31%	988,164.06 995,791.91	99.26 4.61%	992,575.00 17,892.76	0.13% (3,216.91)	Aa1/AA+ AA+	1.04 0.99
91282CPE5	UNITED STATES TREASURY 3.5 10/31/2027	1,000,000.00	11/13/2025 3.60%	998,203.13 999,008.71	98.80 4.65%	988,008.00 14,646.74	0.13% (11,000.71)	Aa1/AA+ AA+	1.08 1.03
91282CLX7	UNITED STATES TREASURY 4.125 11/15/2027	1,000,000.00	11/06/2024 4.25%	996,484.38 998,683.65	99.41 4.67%	994,102.00 15,580.84	0.13% (4,581.65)	Aa1/AA+ AA+	1.13 1.07
91282CGC9	UNITED STATES TREASURY 3.875 12/31/2027	1,000,000.00	-- 4.11%	993,000.01 997,296.43	98.99 4.72%	989,883.00 9,792.80	0.13% (7,413.43)	Aa1/AA+ AA+	1.25 1.19
91282CMF5	UNITED STATES TREASURY 4.25 01/15/2028	1,000,000.00	01/07/2025 4.37%	996,718.75 998,588.61	99.37 4.75%	993,711.00 9,008.15	0.13% (4,877.61)	Aa1/AA+ AA+	1.29 1.23
91282CGH8	UNITED STATES TREASURY 3.5 01/31/2028	1,000,000.00	01/28/2026 3.59%	998,359.38 998,908.49	98.40 4.75%	983,984.00 5,896.74	0.13% (14,924.49)	Aa1/AA+ AA+	1.34 1.28
91282CGP0	UNITED STATES TREASURY 4.0 02/29/2028	1,000,000.00	12/30/2024 4.31%	990,820.31 995,898.94	98.96 4.76%	989,648.00 3,425.41	0.13% (6,250.94)	Aa1/AA+ AA+	1.42 1.35
91282CMS7	UNITED STATES TREASURY 3.875 03/15/2028	2,000,000.00	03/25/2026 3.88%	1,999,609.38 1,999,711.92	98.74 4.78%	1,974,766.00 3,425.41	0.26% (24,945.92)	Aa1/AA+ AA+	1.46 1.39
91282CGT2	UNITED STATES TREASURY 3.625 03/31/2028	1,200,000.00	-- 3.84%	1,191,730.48 1,196,450.66	98.32 4.80%	1,179,890.40 119.51	0.16% (16,560.26)	Aa1/AA+ AA+	1.50 1.44
91282CHA2	UNITED STATES TREASURY 3.5 04/30/2028	1,000,000.00	-- 3.71%	994,277.34 996,846.25	98.03 4.81%	980,273.00 14,646.74	0.13% (16,573.25)	Aa1/AA+ AA+	1.58 1.49
91282CHE4	UNITED STATES TREASURY 3.625 05/31/2028	1,000,000.00	03/27/2025 4.03%	988,085.94 993,755.39	98.09 4.83%	980,938.00 12,182.38	0.13% (12,817.39)	Aa1/AA+ AA+	1.67 1.57
91282CHK0	UNITED STATES TREASURY 4.0 06/30/2028	1,500,000.00	-- 4.06%	1,498,558.60 1,498,354.34	98.61 4.83%	1,479,199.50 15,163.04	0.20% (19,154.84)	Aa1/AA+ AA+	1.75 1.65
91282CHQ7	UNITED STATES TREASURY 4.125 07/31/2028	2,000,000.00	06/23/2025 3.80%	2,018,984.38 2,011,209.66	98.75 4.84%	1,975,000.00 13,899.46	0.26% (36,209.66)	Aa1/AA+ AA+	1.84 1.73
91282CNU1	UNITED STATES TREASURY 3.625 08/15/2028	1,500,000.00	08/14/2025 3.70%	1,496,777.34 1,497,988.78	97.80 4.86%	1,467,070.50 6,944.63	0.20% (30,918.28)	Aa1/AA+ AA+	1.88 1.78
91282CJA0	UNITED STATES TREASURY 4.625 09/30/2028	500,000.00	-- 3.90%	513,722.66 506,668.22	99.52 4.88%	497,597.50 63.53	0.07% (9,070.72)	Aa1/AA+ AA+	2.00 1.88
91282CPC9	UNITED STATES TREASURY 3.5 10/15/2028	1,000,000.00	11/13/2025 3.60%	997,343.75 998,143.62	97.33 4.89%	973,320.00 16,161.20	0.13% (24,823.62)	Aa1/AA+ AA+	2.04 1.91

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
9128285M8	UNITED STATES TREASURY 3.125 11/15/2028	2,000,000.00	09/03/2025 3.60%	1,971,406.25 1,981,002.78	96.48 4.89%	1,929,532.00 23,607.34	0.26% (51,470.78)	Aa1/AA+ AA+	2.13 2.00
91282CJR3	UNITED STATES TREASURY 3.75 12/31/2028	1,000,000.00	-- 4.11%	986,164.07 992,650.48	97.54 4.92%	975,391.00 9,476.90	0.13% (17,259.48)	Aa1/AA+ AA+	2.25 2.10
91282CPT2	UNITED STATES TREASURY 3.5 01/15/2029	1,000,000.00	01/28/2026 3.66%	995,507.81 996,524.99	96.94 4.93%	969,375.00 7,418.48	0.13% (27,149.99)	Aa1/AA+ AA+	2.29 2.15
91282CJW2	UNITED STATES TREASURY 4.0 01/31/2029	1,000,000.00	01/28/2025 4.32%	988,281.25 993,167.40	97.96 4.93%	979,648.00 6,739.13	0.13% (13,519.40)	Aa1/AA+ AA+	2.34 2.18
91282CQA2	UNITED STATES TREASURY 3.5 02/15/2029	1,300,000.00	03/10/2026 3.58%	1,296,953.14 1,297,532.95	96.81 4.94%	1,258,562.50 5,811.14	0.17% (38,970.45)	Aa1/AA+ AA+	2.38 2.23
91282CQE4	UNITED STATES TREASURY 3.5 03/15/2029	2,000,000.00	03/25/2026 3.87%	1,979,218.75 1,982,838.71	96.71 4.94%	1,934,296.00 3,093.92	0.26% (48,542.71)	Aa1/AA+ AA+	2.45 2.31
91282CKG5	UNITED STATES TREASURY 4.125 03/31/2029	500,000.00	-- 3.87%	505,238.28 502,854.72	98.09 4.95%	490,449.00 56.66	0.07% (12,405.72)	Aa1/AA+ AA+	2.50 2.34
91282CES6	UNITED STATES TREASURY 2.75 05/31/2029	2,000,000.00	03/25/2026 3.89%	1,932,343.75 1,943,348.08	94.54 4.96%	1,890,782.00 18,483.61	0.25% (52,566.08)	Aa1/AA+ AA+	2.67 2.50
91282CKX8	UNITED STATES TREASURY 4.25 06/30/2029	1,000,000.00	-- 3.90%	1,014,421.88 1,008,756.77	98.18 4.97%	981,758.00 10,740.49	0.13% (26,998.77)	Aa1/AA+ AA+	2.75 2.53
91282CQZ7	UNITED STATES TREASURY 4.125 07/15/2029	2,000,000.00	07/29/2026 4.30%	1,990,390.63 1,990,950.66	97.80 4.98%	1,956,094.00 17,486.41	0.26% (34,856.66)	Aa1/AA+ AA+	2.79 2.57
91282CLK5	UNITED STATES TREASURY 3.625 08/31/2029	1,000,000.00	-- 3.84%	990,937.50 994,442.24	96.35 4.99%	963,477.00 3,104.28	0.13% (30,965.24)	Aa1/AA+ AA+	2.92 2.71
91282CLN9	UNITED STATES TREASURY 3.5 09/30/2029	2,400,000.00	09/16/2025 3.54%	2,396,250.00 2,397,214.21	95.91 4.99%	2,301,751.20 230.77	0.31% (95,463.01)	Aa1/AA+ AA+	3.00 2.80
91282CLR0	UNITED STATES TREASURY 4.125 10/31/2029	1,000,000.00	11/12/2024 4.32%	991,562.50 994,759.72	97.54 4.99%	975,430.00 17,262.23	0.13% (19,329.72)	Aa1/AA+ AA+	3.08 2.80
91282CMA6	UNITED STATES TREASURY 4.125 11/30/2029	1,000,000.00	01/23/2025 4.46%	985,664.07 990,642.39	97.46 5.00%	974,609.00 13,862.70	0.13% (16,033.39)	Aa1/AA+ AA+	3.17 2.88
91282CMD0	UNITED STATES TREASURY 4.375 12/31/2029	1,000,000.00	01/10/2025 4.53%	993,242.19 995,575.55	98.13 5.00%	981,328.00 11,056.39	0.13% (14,247.55)	Aa1/AA+ AA+	3.25 2.95
91282CGQ8	UNITED STATES TREASURY 4.0 02/28/2030	1,200,000.00	04/08/2025 3.92%	1,204,031.25 1,202,812.40	96.86 5.01%	1,162,312.80 4,110.50	0.15% (40,499.60)	Aa1/AA+ AA+	3.41 3.13
91282CMU2	UNITED STATES TREASURY 4.0 03/31/2030	1,500,000.00	-- 3.82%	1,512,304.69 1,508,691.85	96.77 5.02%	1,451,484.00 164.84	0.19% (57,207.85)	Aa1/AA+ AA+	3.50 3.21

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CNG2	UNITED STATES TREASURY 4.0 05/31/2030	1,550,000.00	-- 3.94%	1,554,279.30 1,553,157.02	96.59 5.03%	1,497,081.45 20,836.07	0.20% (56,075.57)	Aa1/AA+ AA+	3.67 3.31
91282CNN7	UNITED STATES TREASURY 3.875 07/31/2030	1,200,000.00	08/14/2025 3.81%	1,203,421.88 1,202,643.41	95.99 5.04%	1,151,906.40 7,834.24	0.15% (50,737.01)	Aa1/AA+ AA+	3.83 3.48
91282CNX5	UNITED STATES TREASURY 3.625 08/31/2030	2,400,000.00	09/16/2025 3.58%	2,404,500.00 2,403,557.21	95.00 5.05%	2,280,093.60 7,450.28	0.30% (123,463.61)	Aa1/AA+ AA+	3.92 3.58
91282CPA3	UNITED STATES TREASURY 3.625 09/30/2030	1,500,000.00	01/29/2026 3.78%	1,490,156.25 1,491,565.80	94.92 5.04%	1,423,770.00 149.38	0.19% (67,795.80)	Aa1/AA+ AA+	4.00 3.66
91282CPD7	UNITED STATES TREASURY 3.625 10/31/2030	1,000,000.00	11/05/2025 3.76%	994,023.44 995,103.82	94.80 5.05%	948,008.00 15,169.84	0.13% (47,095.82)	Aa1/AA+ AA+	4.08 3.67
91282CPR6	UNITED STATES TREASURY 3.625 12/31/2030	2,000,000.00	01/29/2026 3.80%	1,984,453.13 1,986,565.29	94.57 5.06%	1,891,484.00 18,322.01	0.25% (95,081.29)	Aa1/AA+ AA+	4.25 3.83
91282CQD6	UNITED STATES TREASURY 3.5 02/28/2031	2,000,000.00	03/25/2026 3.97%	1,958,515.63 1,962,871.49	93.91 5.05%	1,878,282.00 5,994.48	0.25% (84,589.49)	Aa1/AA+ AA+	4.41 4.00
91282CQK0	UNITED STATES TREASURY 3.875 04/30/2031	850,000.00	05/29/2026 4.13%	840,503.91 841,164.46	95.18 5.07%	809,027.45 13,783.63	0.11% (32,137.01)	Aa1/AA+ AA+	4.58 4.06
91282CQX2	UNITED STATES TREASURY 4.125 06/30/2031	2,000,000.00	07/07/2026 4.26%	1,988,281.25 1,988,829.16	96.04 5.07%	1,920,860.00 20,849.18	0.26% (67,969.16)	Aa1/AA+ AA+	4.75 4.20
91282CRA1	UNITED STATES TREASURY 4.375 07/31/2031	2,000,000.00	07/29/2026 4.41%	1,996,640.63 1,996,754.69	97.02 5.08%	1,940,468.00 14,741.85	0.26% (56,286.69)	Aa1/AA+ AA+	4.83 4.26
91282CRN3	UNITED STATES TREASURY 5.0 09/30/2031	1,800,000.00	09/29/2026 5.07%	1,794,234.38 1,794,237.54	99.70 5.07%	1,794,515.40 247.25	0.24% 277.86	Aa1/AA+ AA+	5.00 4.37
Total US Treasury		**68,800,000.00**	**3.95%**	**68,464,017.71 68,561,503.08**	**97.41 4.87%**	**66,998,368.00 487,543.67**	**8.91% (1,563,135.08)**		**2.56 2.35**
Total Portfolio		**756,881,433.25**	**3.62%**	**755,044,337.65 755,452,568.47**	**19.19 3.73%**	**751,983,391.65 1,051,261.56**	**100.00% (3,469,176.83)**		**0.56 0.47**
Total Market Value + Accrued						**753,034,653.21**			

CHANDLER ASSET MANAGEMENT

TRANSACTIONS

TRANSACTION LEDGER

San Diego Community Power ConsAgg | Account #11452|07/01/2026 Through 09/30/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	07/08/2026	91282CQX2	2,000,000.00	UNITED STATES TREASURY 4.125 06/30/2031	99.414	4.26%	(1,988,281.25)	(1,793.48)	(1,990,074.73)	0.00
Purchase	07/09/2026	023135EC6	895,000.00	AMAZON.COM INC 4.8 07/09/2031	99.873	4.83%	(893,863.35)	0.00	(893,863.35)	0.00
Purchase	07/14/2026	67066GAR5	700,000.00	NVIDIA CORP 4.5 06/15/2031	98.770	4.78%	(691,390.00)	(2,275.00)	(693,665.00)	0.00
Purchase	07/15/2026	89240MAD6	1,000,000.00	TLOT 26A A3 3.82 02/20/2029	99.148	4.54%	(991,484.38)	(2,652.78)	(994,137.16)	0.00
Purchase	07/15/2026	36275AAD1	600,000.00	GMALT 2026-2 A3 4.3 03/20/2029	99.859	4.44%	(599,156.25)	(1,791.67)	(600,947.92)	0.00
Purchase	07/15/2026	90LAIF$00	733,000.00	Local Agency Investment Fund State Pool	1.000	3.84%	(733,000.00)	0.00	(733,000.00)	0.00
Purchase	07/16/2026	14041NGJ4	1,375,000.00	COMET 2026-1 A 4.48 07/16/2029	99.977	4.53%	(1,374,680.45)	0.00	(1,374,680.45)	0.00
Purchase	07/16/2026	3137F9Z79	1,000,000.00	FHMS K-125 A2 1.846 01/25/2031	88.973	4.60%	(889,726.56)	(769.17)	(890,495.73)	0.00
Purchase	07/21/2026	89231DAD7	670,000.00	TAOT 2026-C A3 4.51 03/17/2031	99.985	4.80%	(669,902.58)	0.00	(669,902.58)	0.00
Purchase	07/22/2026	47800VAD6	590,000.00	JDOT 26B A3 4.88 11/15/2030	99.988	4.94%	(589,926.31)	0.00	(589,926.31)	0.00
Purchase	07/23/2026	3137FWG79	1,000,000.00	FHMS K-115 A2 1.383 06/25/2030	88.824	4.55%	(888,242.19)	(845.17)	(889,087.36)	0.00
Purchase	07/29/2026	58768YAD7	1,000,000.00	MBALT 2025-A A3 4.61 04/16/2029	100.227	4.44%	(1,002,265.63)	(1,792.78)	(1,004,058.41)	0.00
Purchase	07/29/2026	17305EHA6	683,000.00	CCCIT 2025-A1 A1 4.3 06/21/2030	99.629	4.50%	(680,465.43)	(3,100.06)	(683,565.49)	0.00
Purchase	07/29/2026	58933YCK9	1,000,000.00	MERCK & CO INC 4.65 05/22/2031	99.581	4.75%	(995,810.00)	(8,654.17)	(1,004,464.17)	0.00
Purchase	07/29/2026	48128BAV3	1,000,000.00	JPMORGAN CHASE & CO 4.864 07/23/2030	99.739	4.85%	(997,390.00)	(810.67)	(998,200.67)	0.00
Purchase	07/30/2026	91159HJT8	1,000,000.00	US BANCORP 5.046 02/12/2031	100.104	5.01%	(1,001,040.00)	(23,548.00)	(1,024,588.00)	0.00

TRANSACTION LEDGER

San Diego Community Power ConsAgg | Account #11452|07/01/2026 Through 09/30/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
Purchase	07/30/2026	91282CQZ7	2,000,000.00	UNITED STATES TREASURY 4.125 07/15/2029	99.520	4.30%	(1,990,390.63)	(3,362.77)	(1,993,753.40)	0.00
Purchase	07/31/2026	3137FMTY8	1,030,000.00	FHMS K-094 A2 2.903 06/25/2029	95.594	4.54%	(984,615.63)	(2,491.74)	(987,107.37)	0.00
Purchase	07/31/2026	90RCBB$03	777,156.13	RCB MMKT	1.000	3.89%	(777,156.13)	0.00	(777,156.13)	0.00
Purchase	07/31/2026	90LAIF$00	546.00	Local Agency Investment Fund State Pool	1.000	3.85%	(546.00)	0.00	(546.00)	0.00
Purchase	07/31/2026	90CALFT$0	32,494.21	CalFIT	1.000	3.79%	(32,494.21)	0.00	(32,494.21)	0.00
Purchase	07/31/2026	90CAMP$00	32,238.88	CAMP	1.000	3.78%	(32,238.88)	0.00	(32,238.88)	0.00
Purchase	07/31/2026	90RCBB$04	587,856.77	RCB ICS	1.000	3.94%	(587,856.77)	0.00	(587,856.77)	0.00
Purchase	07/31/2026	91282CRA1	2,000,000.00	UNITED STATES TREASURY 4.375 07/31/2031	99.832	4.41%	(1,996,640.63)	0.00	(1,996,640.63)	0.00
Purchase	07/31/2026	912797US4	1,900,000.00	UNITED STATES TREASURY 08/04/2026	99.961	3.57%	(1,899,257.50)	0.00	(1,899,257.50)	0.00
Purchase	08/06/2026	92970QAK1	600,000.00	WFCIT 2026-1 A 4.08 04/16/2029	99.023	4.51%	(594,140.63)	(1,428.00)	(595,568.63)	0.00
Purchase	08/17/2026	91282CHK0	1,000,000.00	UNITED STATES TREASURY 4.0 06/30/2028	99.793	4.11%	(997,929.69)	(5,217.39)	(1,003,147.08)	0.00
Purchase	08/31/2026	90CALFT$0	32,684.32	CalFIT	1.000	3.80%	(32,684.32)	0.00	(32,684.32)	0.00
Purchase	08/31/2026	90CAMP$00	32,452.86	CAMP	1.000	3.80%	(32,452.86)	0.00	(32,452.86)	0.00
Purchase	08/31/2026	90RCBB$04	591,610.46	RCB ICS	1.000	0.00%	(591,610.46)	0.00	(591,610.46)	0.00
Purchase	09/22/2026	02582JKX7	1,205,000.00	AMXCA 261 A 4.99 09/17/2029	99.979	5.05%	(1,204,746.23)	0.00	(1,204,746.23)	0.00
Purchase	09/30/2026	90RCBB$03	50,698,470.31	RCB MMKT	1.000	3.92%	(50,698,470.31)	0.00	(50,698,470.31)	0.00
Purchase	09/30/2026	90CALFT$0	32,289.34	CalFIT	1.000	3.86%	(32,289.34)	0.00	(32,289.34)	0.00
Purchase	09/30/2026	90CAMP$00	32,107.41	CAMP	1.000	3.87%	(32,107.41)	0.00	(32,107.41)	0.00
Purchase	09/30/2026	90RCBB$04	577,003.99	RCB ICS	1.000	3.97%	(577,003.99)	0.00	(577,003.99)	0.00
Purchase	09/30/2026	91282CRN3	1,800,000.00	UNITED STATES TREASURY 5.0 09/30/2031	99.680	5.07%	(1,794,234.38)	0.00	(1,794,234.38)	0.00

TRANSACTION LEDGER

San Diego Community Power ConsAgg | Account #11452|07/01/2026 Through 09/30/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
Total Purchase			**80,207,910.68**				**(79,875,490.38)**	**(60,532.85)**	**(79,936,023.23)**	**0.00**
TOTAL ACQUISITIONS			**80,207,910.68**				**(79,875,490.38)**	**(60,532.85)**	**(79,936,023.23)**	**0.00**
DISPOSITIONS										
Maturity	07/10/2026	3133ERKR1	(200,000.00)	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.625 07/10/2026	100.000	4.51%	200,000.00	0.00	200,000.00	0.00
Maturity	08/04/2026	912797US4	(1,900,000.00)	UNITED STATES TREASURY 08/04/2026	100.000	3.57%	1,900,000.00	0.00	1,900,000.00	0.00
Maturity	09/04/2026	3130B2PJ8	(500,000.00)	FEDERAL HOME LOAN BANKS 3.625 09/04/2026	100.000	3.70%	500,000.00	0.00	500,000.00	0.00
Total Maturity			**(2,600,000.00)**				**2,600,000.00**	**0.00**	**2,600,000.00**	**0.00**
Sale	07/16/2026	90LAIF$00	(733,000.00)	Local Agency Investment Fund State Pool	1.000	3.84%	733,000.00	0.00	733,000.00	0.00
Sale	08/31/2026	90RCBB$03	(39,241,093.13)	RCB MMKT	1.000	3.90%	39,241,093.13	0.00	39,241,093.13	0.00
Sale	09/30/2026	91282CKE0	(1,200,000.00)	UNITED STATES TREASURY 4.25 03/15/2027	99.992	3.85%	1,199,906.25	2,113.26	1,202,019.51	(2,176.53)
Total Sale			**(41,174,093.13)**				**41,173,999.38**	**2,113.26**	**41,176,112.64**	**(2,176.53)**
TOTAL DISPOSITIONS			**(43,774,093.13)**				**43,773,999.38**	**2,113.26**	**43,776,112.64**	**(2,176.53)**

IMPORTANT DISCLOSURES

2026 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc ("IDS"), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Source ICE Data Indices, LLC ("ICE"), used with permission. ICE permits use of the ICE indices and related data on an "as is" basis; ICE, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE data, its affiliates or their respective third party providers guarantee the quality, adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an "as is" basis and licensee's use it at licensee's own risk. ICE data, its affiliates and their respective third party do not sponsor, endorse, or recommend chandler asset management, or any of its products or services.

This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest.

LGIP Yields: Reported yields for local government investment pools may be presented as either the 30-day yield or the monthly distribution yield, as applicable. For certain funds, the 30-day yield is calculated using reported daily yield data. Yield calculations are subject to change and may not be directly comparable across funds.

LAIF Yields: Additional Disclosure for CA Clients - As a result of a reporting lag from the Local Agency Investment Fund (LAIF), reported LAIF yields represent the most recently available Daily Effective Yield and may reflect data from approximately 7–10 days prior to month-end.

BENCHMARK DISCLOSURES

Benchmark	Disclosure
ICE BofA 1-5 Yr Unsubordinated US Treasury & Agency Index	The ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of $1 billion for sovereigns and $250 million for agencies.

SAN DIEGO COMMUNITY POWER
Staff Report – Item 7

To:	Finance and Risk Management Committee
From:	Timothy Manglicmot, Chief Financial Officer/Treasurer Diana Gonzalez, Risk Manager
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Quarterly Risk Oversight Committee Report
Date:	December 3, 2026

Recommendation

Receive and File Quarterly Risk Oversight Committee Report.

Background

On October 1, 2019, the Founding Members of San Diego Community Power (Community Power) adopted the Joint Powers Agreement (JPA) which was amended and restated on December 16, 2021. Section 3.2.12 of the JPA specifies that Community Power has the power to adopt rules, regulations, policies, bylaws and procedures governing the operation of SDCP.

On June 25, 2020, the Community Power Board adopted the Energy Risk Management Policy (ERMP) which was revised in 2021 and 2025 to include Addendum 1 and 2. Section 7.3 of the ERMP states the Risk Oversight Committee will be formed by the Chief Executive Officer and will provide a report to the Finance and Risk Management Committee (FRMC) regarding its meetings, deliberations and any other areas of concern on a quarterly cadence, at a minimum.

The last quarterly Risk Oversight Committee Report was presented to the FRMC on September 17, 2026.

Analysis and Discussion

This staff report constitutes the Risk Oversight Committee's (ROC's) quarterly report to the Finance and Risk Management Committee. Consistent with the nature of the ROC's oversight responsibilities, the report provides a high-level summary of the Committee's activities during the quarter.

During the September through November period, the ROC was engaged in the following key actions:

- Reviewed positions and procurement strategies for energy and Resource Adequacy (RA) portfolios.
- Reviewed Renewable Portfolio Standard (RPS) and Carbon Free positions and procurement activities.
- Reviewed financial projections for base case and stress test scenarios.
- Reviewed contracted and open position costs for Power Supply subportfolios.
- Reviewed the year-to-date Actual Power Supply costs versus budgeted amounts.
- Reviewed the counterparty mark-to-market and concentration.
- Reviewed the potential regulatory and legislative risks to Community Power.
- Reviewed long-term projects in development.
- Reviewed the potential financial impacts of project delays.
- Reviewed energy production for online resources.
- Reviewed back-office settlement controls.
- Reviewed the load forecast performance for prior twelve months.
- Reviewed the status of risk controls and the overall risk management framework.

Fiscal Impact

There is no direct fiscal impact associated with this action. The report is provided to satisfy the quarterly reporting requirements established in San Diego Community Power's Energy Risk Management Policy and serves as part of the agency's enterprise risk governance framework.

Ongoing review of market, credit, liquidity, operational, and regulatory risks supports informed decision-making and helps protect Community Power's financial position, liquidity, and long-term rate stability. This item does not amend the budget, authorize procurement activity, or establish new financial commitments.

Strategic Plan

Consistent with the Strategic Plan objective of implementing prudent fiscal strategies to support long-term organizational sustainability.

Attachments

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 8

To:	Finance and Risk Management Committee
From:	Lucas Utouh, Senior Director of Data Analytics and Customer Operations Carly Newman, Account Services Manager
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Proposed Emergency Disaster Customer Protections Policy
Date:	December 3, 2026

Recommendation

Recommend Board adoption of Resolution to approve the proposed Emergency Disaster Customer Protections Policy and provide feedback to staff.

Background

California Public Utilities Commission (CPUC) Decision 19-07-015 establishes emergency consumer protections by Investor-Owned Utilities for customers affected by disasters when a state of emergency is declared by the Governor of California or the President of the United States and utility service is disrupted, degraded, or needed at increased levels for disaster recovery, excluding droughts. This proposed policy formalizes the corresponding emergency consumer protection actions that San Diego Community Power will apply to its actively served residential and small business customers impacted when a state of emergency is declared by the Governor of California or the President of the United States.

In January and February 2024, thousands of customers were displaced following severe rain and flooding that resulted in devastation throughout the San Diego region. This catastrophic event left customers experiencing disruptions to their electric service and increased electric needs to respond to the disaster. To provide some relief to those customers impacted by the disaster, Community Power suspended the mailing of late payment notices, transferring service back to San Diego Gas & Electric ("SDG&E") for non-payment, and collection activities for 12 months.

El Niño conditions are expected to peak in early 2027. With that in mind, staff is proposing to formalize these customer protections in a policy that would apply in the event of a declared emergency. The proposed policy would ensure that the agency has well-defined protocols in

place for delinquency and account handling when a state of emergency proclamation has been issued. This would allow for an agency-wide response that is implemented consistently, promptly, and transparently when a qualifying state or federal emergency occurs within Community Power's service area.

Analysis and Discussion

The proposed policy would create a consistent framework for determining when protections apply, which customers are eligible, and which Community Power account actions will be implemented and for how long. The policy would apply to Community Power residential and small business customers when a qualifying disaster occurs within the service area and results in a loss or disruption of electric service, degradation in electric service quality, or an unexpected increase in electricity use associated with restoration activities. Residential and small business customer designations shall be defined in accordance with SDG&E's definition, consistent with their electric rules and tariffs as well as established emergency protocols from other public agencies.

Eligibility would require that SDG&E identify the customer as impacted by the emergency event, because SDG&E has the operational information necessary to identify customer premises directly impacted by an emergency event. General geographic indicators, such as ZIP code, neighborhood, or circuit, may be used temporarily while SDG&E confirms account-level information. This would allow Community Power to act quickly and provide temporary protections as SDG&E finalizes the list of impacted customers.

The policy would provide the following protections for eligible customers for 12 months from the date of the emergency declaration:

- Community Power will not send late payment notices to impacted customers for delinquent Community Power charges.
- Community Power will not transfer impacted customers to SDG&E generation service for non-payment of Community Power charges.
- Community Power will suspend collection activity on eligible Community Power charges.

Community Power's CEO could, at their discretion, extend these protections for up to six additional months. By establishing the measures in advance, the policy supports timely and equitable treatment of impacted customers while preserving oversight for any extension beyond the initial 12-month period.

The proposed policy is limited to Community Power generation charges and account actions controlled by Community Power. It does not alter SDG&E delivery charges, disconnection practices, billing operations, or other responsibilities under SDG&E tariffs and CPUC

requirements. Implementation would therefore require timely coordination with SDG&E to identify affected premises and apply protections accurately.

Staff is also assessing multiple options with regards to emergency disaster customer assistance pathways and will be bringing a complementary customer assistance policy by the second quarter of 2027 for this committee's review.

Fiscal Impact

There is no fiscal impact associated with this informational item. If adopted, fiscal impacts of this policy would depend on the scope and duration of a future qualifying emergency, the number of eligible accounts, and the amount and collectability of affected Community Power charges. Potential impacts may include delayed customer payment collections, increased past due accounts receivable, additional bad-debt exposure, and administrative costs associated with account identification and implementation.

Staff would monitor and report material impacts through the regular budget and financial reporting process and will seek Board direction if additional budget authority is needed.

Strategic Plan

This item supports Strategic Goal 6, Customer Care: ensure high customer satisfaction and retention. The policy advances the related objectives to address arrearages and connect customers to available resources by establishing consistent protections for customers affected by declared emergencies.

Attachment

A: Resolution, Approving an Emergency Disaster Customer Protection Policy
Exhibit A: Proposed Emergency Disaster Customer Protections Policy

ITEM 8
ATTACHMENT A

RESOLUTION NO. 2026-__

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER ADOPTING THE EMERGENCY DISASTER CUSTOMER PROTECTIONS POLICY.

THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

A. San Diego Community Power ("Community Power") is a joint powers agency formed pursuant to the Joint Exercise of Powers Act (Cal. Gov. Code § 6500 *et seq.*), California Public Utilities Code § 366.2, and a Joint Powers Agreement effective on October 1, 2019, and amended and restated December 16, 2021 ("JPA Agreement").

B. Section 3.2.12 of the JPA Agreement authorizes Community Power to adopt rules, regulations, policies, bylaws and procedures governing the operation of Community Power and Section 4.5.5 identifies setting policy as a duty of the Board.

C. The California Public Utilities Commission requires Investor-Owned Utilities to provide emergency consumer protections for customers affected by disasters when a state of emergency is declared by the Governor of California or the President of the United States and utility service is disrupted, degraded, or needed at increased levels for disaster recovery, excluding droughts.

D. The proposed Emergency Disaster Customer Protections Policy ("Policy") provides similar emergency consumer protections for Community Power's actively served residential and small business customers and is intended to provide some relief to eligible Community Power customers affected by disasters.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Diego Community Power as follows:

1. The Board of Directors approves the Emergency Disaster Customer Protections Policy, attached hereto as Exhibit A and incorporated by reference.

2. If any provision of this resolution, the attached policy, or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or application of the resolution or policy which can be given effect without the invalid provision or application, and to this end the provisions of this resolution and the policy are severable. The Board of Directors hereby declares that it would have adopted this resolution and the attached policy irrespective of the invalidity of any particular portion thereof.

3. This resolution shall take effect immediately upon its adoption and shall remain in effect except as amended or until repealed by the Board of Directors.

PASSED, APPROVED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on December 10, 2026.

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Terra Lawson-Remer, Chair
Board of Directors
San Diego Community Power

ATTEST:

_____
Maricela Hernandez, MMC, CPMC
Clerk of the Board/Board Secretary
San Diego Community Power

APPROVED AS TO FORM:

_____
Veera Tyagi, General Counsel
San Diego Community Power

ITEM 8
EXHIBIT A

POLICY	EMERGENCY DISASTER CUSTOMER PROTECTIONS	ORIGINAL ADOPTION DATE	DECEMBER 10, 2026
APPROVAL DATE	DECEMBER 10, 2026	RESOLUTION NO.	2026-__

PURPOSE AND SCOPE

The purpose of this Emergency Disaster Customer Protections Policy ("Policy") is to provide emergency and disaster relief protections to actively served residential and small business customers of San Diego Community Power ("Community Power") when the Governor of California or the President of the United States declares a state of emergency that results in the loss, disruption or degradation of electric utility services (excluding droughts).

POLICY STATEMENT

A. State of Emergency Proclamation

This Policy applies when a state of emergency proclamation is issued by the Governor of California or the President of the United States due to a disaster affecting Community Power's service area (excluding droughts) and:

a. Results in the loss or disruption of the delivery or receipt of electric utility service; and/or
b. Results in the degradation of the quality of electric utility service; and/or
c. Results in the unexpected increase of electric usage due to damage restorative efforts.

B. Customer Eligibility

A customer is eligible to receive customer protections under this Policy if the customer meets the following criteria:

a. The customer is a residential or small business customer of Community Power; and
b. The customer's premises have been identified by SDG&E, through a physical inspection or otherwise, as having been impacted by the emergency event for which the emergency proclamation was issued.

If the SDG&E impact list is not available within 30 days of the emergency declaration, Community Power may use general geographic indicators, such as zip code, neighborhood, or circuit, to identify potentially impacted customers and temporarily provide customer protections until the impact list becomes available.

For clarity, residential and small business customer designations shall be defined in accordance with SDG&E's definition, consistent with their electric rules and tariffs.

C. Customer Protections

Eligible customers will receive the following protections under this Policy:

a. **No Late Payment Noticing**: Community Power will not send Late Payment Notices to eligible customers who are delinquent on Community Power charges for a period of 12 months;
b. **No Transfer of Electric Service Back to SDG&E for Non-Payment**: Community Power will not transfer eligible customers back to SDG&E generation service as a result of non-payment of Community Power charges for a period of 12 months; and
c. **Halt Collections**: Community Power will halt collection activity for eligible customers for a period of 12 months.

The Chief Executive Officer or their designee may, at their discretion, extend these protections for up to six additional months and employ the required operational methods that best meet the needs of the agency's customers.

RELATED POLICIES

1. Collections and Delinquent Handling Policy
2. Financial Reserves Policy

SAN DIEGO COMMUNITY POWER
Staff Report - Item 9

To:	Finance and Risk Management Committee
From:	Lucas Utouh, Senior Director of Data Analytics & Customer Operations Aaron Lu, Rates and Strategy Manager Pete Polonsky, Senior Rates Analyst
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Update on SDG&E's 2027 Projected Rates
Date:	December 3, 2026

Recommendation

Receive and file an update on SDG&E's 2027 projected rates.

Background

As San Diego Community Power (Community Power) prepares to develop and propose rates for 2027, it is critical to understand current San Diego Gas and Electric (SDG&E) bundled commodity/generation and the Power Charge Indifference Adjustment (PCIA) rates – as both SDG&E bundled generation and PCIA rates play a role in the Community Power rate setting process, particularly as it relates to Community Power's competitiveness. Community Power's Board of Directors last adjusted Community Power commodity/generation rates on March 26, 2026, and those rates came into effect as of April 1, 2026.

Analysis and Discussion

Rate Development Process

Community Power will establish rates that are sufficient to recover all costs related to the operations of our service, and the Board of Directors has the ultimate responsibility for setting the electric generation rates for Community Power's customers. The Chief Executive Officer, in coordination with staff, and committees of the Board, is responsible for developing proposed rates for the Board to consider before finalization. For Community Power to be fiscally sustainable, the final approved rates should, at a minimum, meet the annual revenue requirements developed by Community Power, including any reserves or coverage

requirements set forth in policy and/or loan covenants/debt service. The Board has the flexibility to consider rate adjustments, provided that the overall revenue requirement is achieved. In alignment with the Rate Development Policy adopted by the Board of Directors on November 17, 2022,[1] Community Power considers the following objectives in its rate setting framework:

- Cost Recovery,
- Reserves,
- Rate Competitiveness and Customer Value,
- Rate Stability,
- Equity Among Customers,
- Rate Structure Simplicity and Comparability,
- Transparency,
- Avoidance of Cost Shifting, and
- Cost of Service.

Additionally, per previous Board direction, staff will, if possible, recommend rates that remain competitive with SDG&E service.

It is important to note that rates are made up of several components, only one of which Community Power has control over (i.e., Community Power's generation rate). The chart below is an example of a current rate tariff composition for a residential customer on TOU-DR-1 to illustrate the various components that affect rates and make up a total customer bill.[2] Staff tracks the changes to the PCIA rate, as it is the above market cost of power associated with SDG&E's portfolio that both SDG&E's bundled customers and Community Power's customers, who have departed SDG&E's generation service, pay and can affect Community Power's competitiveness. "Above-market cost" refers to expenditures for generation resources that cannot be fully recovered through sales of these resources at current market prices.

[1] See https://sdcommunitypower.org/wp-content/uploads/2023/02/2022-12-Rate-Development-Policy.pdf.

[2] See https://www.sdge.com/sites/default/files/SDCP_SDGE%20JRC%2006.01.2025_Final.pdf for Community Power and SDG&E's Joint Rate Comparisons, which provide this table for each tariff.

Time of Use – TOUDR1-Residential

Residential: TOUDR1	SDG&E 41% Renewable	Community Power		
		PowerBase 45% Renewable	PowerOn 53% Renewable + 2% Carbon Free	Power100 100% Renewable
Generation Rate ($/kWh)	$0.12898	$0.11988	$0.13000	$0.14000
PCIA ($/kWh)	$0.04771	$0.03349	$0.03349	$0.03349
SDG&E Delivery Rate ($/kWh)*	$0.29437	$0.29434	$0.29434	$0.29434
Franchise Fees ($/%)	$0.00522	$0.00522	$0.00522	$0.00522
Total Electricity Cost ($/kWh)	$0.47628	$0.45293	$0.46305	$0.47305
Average Monthly Bill ($)	**$158.12**	**$150.37**	**$153.73**	**$157.05**

Average Monthly Usage: 332 kWh

*Includes Base Services Charge, see definitions

Rate Development Timeline

Community Power, like most Community Choice Aggregators (CCAs), usually adjusts rates annually and/or in response to utility rate adjustments. Currently per CPUC filings, SDG&E is expected to adjust their rates once in 2027, on January 1, 2027.

The currently planned schedule for Community Power's 2027 rate setting is as follows:

- October 15, 2026: SDG&E filed its 2027 Energy Resource Recovery Account (ERRA) Forecast Update.
- November 17, 2026: SDG&E filed its advice letter for Preliminary Consolidated Filing to Implement January 1, 2027, Electric Rates.
- December 2026: Community Power staff will brief the committees and Board of Directors on SDG&E's 2027 projected generation and PCIA rate changes.
- December 31, 2026: SDG&E is expected to file its advice letter for Final Consolidated Filing to Implement January 1, 2027, Electric Rates.
- January 1, 2027: SDG&E's expected effective date of implementation of its generation and delivery, as well as the PCIA rates.
- January 28, 2027: Community Power Board adopts 2027 rates, effective on February 1, 2027.

2027 SDG&E Bundled Generation & PCIA Rate Projections

Based on SDG&E's most recent November Preliminary Consolidated Filing to Implement January 1, 2027, Electric Rates, the projected bundled system average generation rates are expected to decrease by approximately 13% on January 1, 2027, as articulated in the table below.

	SDG&E Commodity Rate ($/kWh)			SDG&E Commodity Rate Change (%)	
Customer Class	8/1/2026 (Currently Effective)	1/1/2027 (Oct. ERRA)	1/1/2027 (Nov. Prelim)	8/1/2026 - 1/1/2027 (Oct. ERRA)	8/1/2026 - 1/1/2027 (Nov. Prelim)
Residential	0.18085	0.16148	0.15564	-10.71%	-13.94%
Small Commercial	0.16136	0.14615	0.14104	-9.43%	-12.59%
Med Commercial	0.18804	0.16293	0.16315	-13.35%	-13.24%
Large C&I	0.19775	0.17772	0.17202	-10.13%	-13.01%
Agricultural	0.12372	0.11096	0.10625	-10.31%	-14.12%
Lighting	0.12374	0.11080	0.10661	-10.46%	-13.84%
System Total	**0.18193**	**0.16211**	**0.15750**	**-10.89%**	**-13.43%**

Based on SDG&E's filings, Community Power is expected to see an increase in PCIA rates for all vintages relevant to its customers, including Vintage Year 2020 (Phase 1 & 2 customers), Vintage Year 2021 (Phase 3 customers), Vintage Year 2022 (Phase 4 customers), and Vintage Year 2027 (Phase 5 customers as part of providing service to customers in the City of Coronado in 2028).

If SDG&E's ERRA Forecast and Update are approved by the CPUC before this year ends, SDG&E's projected bundled generation and PCIA rate changes are expected to be effective on January 1, 2027.

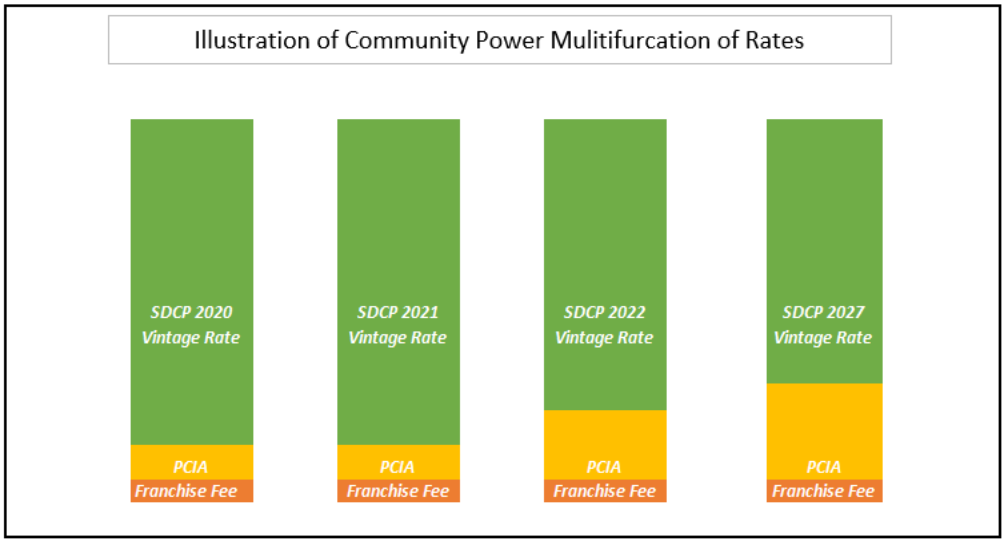
Rate Development Mechanics

In accordance with SDG&E's definition of load transfer from bundled service to Community Power's service per Schedule CCA-CRS, Community Power Phase 1 and 2 customers' Vintage Year is 2020, Phase 3 customers' Vintage Year is 2021, Phase 4 customers' Vintage Year is 2022, and Phase 5 customers' Vintage Year is 2027. Vintaging denotes the year during which SDG&E recognizes the transition of Community Power customers from bundled service into Community Power service and creates a mechanism for the assessment of the PCIA rate.

Next Steps

Staff will continue to monitor all updates from SDG&E and CPUC throughout the remainder of the year and into 2027 to be able to better analyze and recommend rate changes that are reflective of all the inputs articulated in CPUC's decision(s). Staff expects to present rates to the Community Power Board for adoption at the January 28, 2027, meeting that both meet the revenue and prudent reserve needs of Community Power as well as maintain value for our customers.

As a result of the material deltas expected between PCIA rates for Vintage Years 2020, 2021, 2022, staff will also recommend the Board to continue to multifurcate three sets of rates. This multifurcation will maintain a fair, equitable, and balanced rate structure that does not create winners and losers across our customers with differing vintage years as illustrated below.



Fiscal Impact

N/A

Strategic Plan

This activity supports the strategic plan goals of (1) evolving rate strategy to ensure competitiveness, affordability, and fiscal sustainability, and (2) developing customer strategies to increase retention and engagement.

Attachments

N/A

Glossary

AB – Assembly Bill: An Assembly Bill is a piece of legislation that is introduced in the Assembly. In other words, the Assembly (rather than the Senate) is the bill's house of origin in the Legislature. In California, it is common for legislation to be referred to by its house of origin number even after it becomes law. However, because bill numbers "reset" and start again from 1 in each legislative session, it is less confusing to include chapter and statute information
when referring to a bill that has become law; for example, SB 350 (Chapter 547, Statutes of 2015).

AL - Advice Letter: An Advice Letter is a request by a California Public Utilities Commission (CPUC) jurisdictional entity for Commission approval, authorization or other relief.

ALJ – Administrative Law Judge: ALJs preside over CPUC cases to develop the evidentiary record and draft proposed decisions for Commission action.

ARB – Air Resources Board: The California Air Resources Board (CARB or ARB) is the "clean air agency" in the state government of California. CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change.

AReM – Alliance for Retail Energy Markets: AReM is a not-for-profit corporation that advocates for continued development of successful customer choice in retail energy markets and provides a focused voice for competitive energy retailers and their customers in select public policy forums at the state level. It represents direct access providers such as Constellation NewEnergy and Direct Energy.

BayREN – Bay Area Regional Energy Network: BayREN offers regionwide energy programs, services and resources to members of the public by promoting energy efficient buildings, reducing carbon emissions and building government capacity.

CAISO – California Independent System Operator: CAISO is a nonprofit public benefit corporation that oversees the operation of the California bulk electric power system, transmission lines and electricity market generated and transmitted by its members (approximately 80% of California's electric flow). Its stated mission is to "operate the grid reliably and efficiently, provide fair and open transmission access, promote environmental stewardship and facilitate effective markets and promote infrastructure development." CAISO is regulated by the Federal Energy Regulatory Commission (FERC) and governed by a five-member governing board appointed by the governor.

CalCCA – California Community Choice Association: CalCCA is a statewide association, made up of Community Choice Aggregators (CCAs), that represents the interests of California's community choice electricity providers.

CALSEIA – California Solar Energy Industries Association: CALSEIA represents more than 200 companies doing solar-related business in California, including manufacturers, distributors, installation contractors, consultants and educators. Members' annual dues support professional staff and a lobbyist who represents the common interests of California's solar industry at the Legislature, Governor's Office and state and local agencies.

CALSLA – California City-County Street Light Association: CALSLA is a statewide association representing cities, counties and towns before the CPUC that is committed to maintaining fair and equitable streetlight electricity rates and facilities charges and disseminating streetlight-related information.

CAM – Cost Allocation Mechanism: CAM is the cost recovery mechanism to cover procurement costs incurred in serving the central procurement function.

CARB – California Air Resources Board: The CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change in California.

CARE – California Alternative Rates for Energy: CARE is a state program for low-income households that provides a 30% discount on monthly energy bills and a 20% discount on natural gas bills. It is funded through a rate surcharge paid by all other utility customers.

CBE – Communities for a Better Environment: CBE is an environmental justice organization that was founded in 1978. The mission of CBE is to build people's power in California's communities of color and low-income communities to achieve environmental health and justice by preventing and reducing pollution and building green, healthy and sustainable communities and environments.

CCA – Community Choice Aggregator: A community choice aggregator, sometimes referred to as community choice aggregation, is an entity of local governments that procure power on behalf of their residents, businesses and municipal accounts from an alternative supplier while still receiving transmission and distribution service from their existing utility provider. CCAs are an attractive option for communities that want more local control over their electricity sources, more green power than is offered by the default utility, and/or lower electricity prices. By aggregating demand, communities gain leverage to negotiate better rates with competitive suppliers and choose greener power sources.

CCSF – City and County of San Francisco: The City and County of San Francisco often engage in joint advocacy before the CPUC. San Francisco operates CleanPowerSF, a CCA.

CEC – California Energy Commission: The CEC is the primary energy policy and planning agency for California, whose core responsibilities include advancing state energy policy, achieving energy efficiency, investing in energy innovation, developing renewable energy, transforming transportation, overseeing energy infrastructure and preparing for energy emergencies.

CEE – Coalition for Energy Efficiency: CEE is a nonprofit composed of U.S. and Canadian energy-efficiency administrators working together to accelerate the development and availability of energy-efficient products and services.

CLECA – California Large Energy Consumers Association: CLECA is an organization of large, high-load factor industrial customers located throughout the state; its members are in the cement, steel, industrial gas, pipeline, beverage, cold storage, food packaging and mining industries and their electricity costs comprise a significant portion of their costs of production. Some members are bundled customers, others are Direct Access (DA) customers, and some are served by Community Choice Aggregators (CCAs); a few members have onsite renewable generation.

CPUC – California Public Utility Commission: The CPUC is a state agency that regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit and passenger transportation companies, in addition to authorizing video franchises.

C&I – Commercial and Industrial: C&I customers are business customers who generally consume much higher volumes of electricity and gas. Many utilities segment their C&I customers by energy consumption (small, medium and large).

CP – Compliance Period: A Compliance Period is the time period to become Renewables Portfolio Standard (RPS) compliant, set by the California Public Utilities Commission (CPUC).

DA – Direct Access: Direct Access is an option that allows eligible customers to purchase their electricity directly from third-party providers known as Electric Service Providers (ESPs).

DA Cap: The DA Cap is the maximum amount of electric usage that may be allocated to Direct Access customers in California or, more specifically, within an investor-owned utility service territory.

DACC – Direct Access Customer Coalition: DACC is a regulatory advocacy group composed of educational, governmental, commercial and industrial customers that utilize direct access for all or a portion of their electrical energy requirements.

DA Lottery: The DA Lottery is a random drawing by which DA waitlist customers become eligible to enroll in DA service under the currently applicable Direct Access Cap.

DA Waitlist: The DA Waitlist consists of customers that have officially registered their interest in becoming a DA customer but are not yet able to enroll in service because of DA cap limitations.

DAC – Disadvantaged Community: "Disadvantaged communities" refers to the areas throughout California that most suffer from a combination of economic, health and environmental burdens. These burdens include poverty, high unemployment, air and water pollution and the presence of hazardous wastes as well as high incidences of asthma and heart disease. One way that the state identifies these areas is by collecting and analyzing information from communities statewide. CalEnviroScreen, an analytical tool created by the California Environmental Protection Agency (CalEPA), combines different types of census tract-specific information into a score to determine which communities are the most burdened or "disadvantaged."

DASR – Direct Access Service Request: DASR is a request submitted by C&I customers to become direct access eligible.

Demand: Demand refers to the rate at which electric energy is delivered to or by a system or part of a system, generally expressed in kilowatts (kW), megawatts (MW) or gigawatts (GW), at a given instant or averaged over any designated interval of time. Demand should not be confused with Load or Energy.

DER – Distributed Energy Resource: A DER is a small-scale physical or virtual asset (e.g., EV charger, smart thermostat, behind-the-meter solar/storage, energy efficiency) that operates locally and is connected to a larger power grid at the distribution level.

Distribution: Distribution refers to the delivery of electricity to the retail customer's home or business through low-voltage distribution lines.

DLAP – Default Load Aggregation Point: In the CAISO's electricity optimization model, DLAP is the node at which all bids for demand should be submitted and settled.

DR – Demand Response: DR is an opportunity for consumers to play a significant role in the operation of the electric grid by reducing or shifting their electricity usage during peak periods in response to time-based rates or other forms of financial incentives.

DRP – Distributed Resource Plans: Distributed Resource Plans are required by statute and intended to identify optimal locations for the deployment of distributed resources.

DWR – Department of Water Resources: DWR is the state agency charged with managing California's water resources, systems and infrastructure in a responsible, sustainable way.

ECR – Enhanced Community Renewable: ECR is an IOU (Investor-Owned Utility) program that reflects the "Community Solar" model of renewable energy purchasing. Customers sign up to purchase a portion of a local solar project directly from a developer at a level that meets at least 25% and up to 100% of their monthly electricity demand. The customer pays the developer for the subscribed output and receives a credit on their utility bill that reflects their enrollment level.

ED – Energy Division: The CPUC's Energy Division develops and administers energy policy and programs to serve the public interest, advise the Commission and ensure compliance with Commission decisions and statutory Mandates.

EE – Energy Efficiency: Energy Efficiency refers to the use of less energy to perform the same task or produce the same result. Energy-efficient homes and buildings use less energy to heat and cool and run appliances and electronics, and energy-efficient manufacturing facilities use less energy.

ELCC – Effective Load Carrying Capacity: ELCC is the additional load met by an incremental generator while maintaining the same level of system reliability. For solar and wind resources, the ELCC is the amount of capacity that can be counted for Resource Adequacy purposes.

EPIC – Electric Program Investment Charge: The EPIC program was created by the CPUC to support investments in clean energy technologies that provide benefits to the electricity ratepayers of Pacific Gas and Electric (PG&E), San Diego Gas & Electric Company (SDG&E) and Southern California Edison Company (SCE).

ERRA – Energy Resource Recovery Account: ERRA proceedings are used to determine fuel and purchased power costs that can be recovered in rates. The utilities do not earn a rate of return on these costs and recover only actual costs. The costs are forecast for the year ahead. If the actual costs are lower than forecast, then the utility gives money back, and vice versa.

ES – Energy Storage: Energy Storage is the capture of energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production.

ESA – Energy Storage Agreement: An ESA refers to a battery services contract, a capacity contract, demand response contract or similar agreement.

ESP – Energy Service Provider: An Energy Service Provider is an energy entity that provides service to a retail or end-use customer.

EV – Electric Vehicle: An EV is a vehicle that uses one or more electric motors for propulsion.

FCR – Flexible Capacity Requirements: "Flexible capacity need" is defined as the quantity of resources needed by the CAISO to manage grid reliability during the greatest three-hour continuous ramp in each month. Resources will be considered as "flexible capacity" if they can sustain or increase output or reduce ramping needs during the hours of "flexible need." FCR means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC decisions.

GHG – Greenhouse gas: Water vapor, carbon dioxide, tropospheric ozone, nitrous oxide, methane and chlorofluorocarbons (CFCs) are gases that cause the atmosphere to trap heat radiating from the earth. The most common GHG is carbon dioxide.

GRC – General Rate Case: General Rate Cases are proceedings used to address the costs of operating and maintaining the utility system and the allocation of those costs among customer classes. For California's three large IOUs, the GRCs are parsed into two phases. Phase I of a GRC determines the total amount the utility is authorized to collect, while Phase II determines the share of the cost each customer class is responsible for and the rate schedules for each class. Each large electric utility files a GRC application every three years for review by the Public Advocate's Office and interested parties and for approval by the CPUC.

GTSR – Green Tariff Shared Renewables: The GTSR program enables customers to receive 50 to 100 percent of their electricity demand from renewable sources. The GTSR program has two components: the Green Tariff (GT) component and the Enhanced Community Renewables (ECR) component. Through GT, a customer may pay the difference between their current generation charge and the cost of procuring 50 to 100 percent renewables. With ECR, a customer agrees to purchase a share of a community renewable (typically solar) project directly from a developer and in exchange will receive a credit from their utility for the customer's avoided generation procurement.

GWh – Gigawatt-hour: This is the unit of energy equal to that expended in one hour at a rate of one billion watts. One GWh equals 1,000 megawatt-hours.

ICA – Integration Capacity Analysis: The enhanced integrated capacity and locational net benefit analysis quantify the capability of the system to integrate Distributed Energy Resources (DERs) within the distribution system. Results are dependent on the most limiting element of the various power system criteria such as thermal ratings, power quality, system protection limits and safety standards of existing equipment.

IDER – Integrated Distributed Energy Resources: A CPUC proceeding that aims to more effectively coordinate the integration of demand-side resources in order to better meet customer and grid needs, while enabling California to attain its greenhouse gas reduction goals.

IDSM – Integrated Demand-Side Management: This is an approach that joins together all the resources utilities have at their disposal to plan, generate and supply electricity in the most efficient manner possible.

IEPA – Independent Energy Producers Association: IEPA is California's oldest and leading nonprofit trade association, representing the interest of developers and operators of independent energy facilities and independent power marketers.

IMD – Independent Marketing Division: Under state law, IOUs are prohibited from lobbying or marketing on community choice unless the IOU forms an independent marketing division funded by shareholders rather than ratepayers. SDG&E and its parent company Sempra were permitted by the CPUC to create such an independent marketing division, which allowed SDG&E to lobby against plans to create a CCA program.

IOU – Investor-Owned Utility: An IOU is a private electricity and natural gas provider, such as SDG&E, PG&E or SCE, which are the three largest IOUs in California.

IRP – Integrated Resource Plan: An Integrated Resource Plan outlines an electric utility's resource needs in order to meet expected electricity demand long-term.

kW – Kilowatt: This is a measure of power where power (watts) = voltage (volts) x amperage (amps) and 1 kW = 1,000 watts.

kWh – Kilowatt-hour: This is a measure of consumption. It is the amount of electricity that is used over some period of time, typically a one-month period for billing purposes. Customers are charged a rate per kWh of electricity used.

LCE – Lancaster Choice Energy: LCE is the CCA that serves the City of Lancaster, California.

LCFS – Low Carbon Fuel Standard: This is a CARB program designed to encourage the use of cleaner low-carbon fuels in California, encourage the production of those fuels and, therefore, reduce greenhouse gas emissions.

LCR – Local (RA) Capacity Requirements: This is the amount of Resource Adequacy capacity required to be demonstrated in a specific location or zone.

LMP – Locational Marginal Price: Each generator unit and load pocket is assigned a node in the CAISO optimization model. The model will assign a LMP to the node in both the day-ahead and real-time market as it balances the system using the least cost. The LMP is composed of three components: the marginal cost of energy, congestion and losses. The LMP is used to financially settle transactions in the CAISO.

LNBA – Locational Net Benefits Analysis: This is a cost-benefit analysis of distributed resources that incorporates location-specific net benefits to the electric grid.

Load: Load refers to an end-use device or customer that receives power from an energy delivery system. Load should not be confused with Demand, which is the measure of power that a load receives or requires. See Demand.

LSE – Load-serving Entity: Load-serving Entities have been granted authority by state, local law or regulation to serve their own load directly through wholesale energy purchases and have chosen to exercise that authority.

LTPP – Long-Term Procurement Rulemaking: This is an "umbrella" proceeding to consider, in an integrated fashion, all of the CPUC's electric procurement policies and Programs.

MCE – Marin Clean Energy: MCE was the first CCA in California and began serving customers in 2010. It serves customers in Contra Costa, Marin, Napa and Solano counties in Northern California.

MEO – Marketing Education and Outreach: This is a term generally used to describe various strategies to inform customers, such as to motivate consumers to take action on energy efficiency or conservation measures and change their behavior.

MW – Megawatt: A megawatt hour (Mwh) is equal to 1,000 Kilowatt hours (Kwh) or 1,000 kilowatts of electricity used continuously for one hour.

MWH – Megawatt-hour: This is a measure of energy.

NAESCO – National Association of Energy Service Companies: NAESCO is an advocacy and accreditation organization for energy service companies (ESCOs). Energy service companies contract with private and public-sector energy users to provide cost-effective energy efficiency retrofits across a wide spectrum of client facilities.

NBC – Non-Bypassable Charge: Non-Bypassable Charges are fees that are paid on every kilowatt-hour of electricity that is consumed from the grid. These charges can be used to fund things like energy assistance programs for low-income households and energy efficiency programs. These charges apply even if customers buy grid-supplied power from an outside power company such as a CCA.

NDA – Non-Disclosure Agreement: An NDA is a contract by which one or more parties agree not to disclose confidential information that they have shared with each other.

NEM – Net Energy Metering: NEM is a program in which solar customers receive credit for excess electricity generated by solar panels.

NRDC – Natural Resources Defense Council: NRDC is a nonprofit international environmental advocacy group.

NP-15 – North Path 15: NP-15 is a CAISO pricing zone usually used to approximate wholesale electricity prices in Northern California in PG&E's service territory.

OIR – Order Instituting Rulemaking: An OIR is a procedural document that is issued by the CPUC to start a formal proceeding. A draft OIR is issued for comment by interested parties and made final by vote of the five commissioners of the CPUC.

OSC – Order to Show Cause: OSC is an order requiring an individual or entity to explain, justify or prove something.

ORA – Office of Ratepayer Advocates: The ORA is an independent consumer advocate within the CPUC, now called the Public Advocates Office.

PA – Program Administrator (for EE Business Plans): IOUs and local government agencies can be authorized to implement CPUC-directed energy efficiency programs.

PCE – Peninsula Clean Energy Authority: PCE is the CCA serving San Mateo County and all 20 of its cities and towns as well as the City of Los Banos.

PCC1 – RPS Portfolio Content Category 1: RPS Portfolio Content Category 1 includes bundled renewables where the energy and Renewable Energy Certificate (REC) are dynamically scheduled into a California Balancing Authority (CBA) such as the CAISO, also known as "in-state" renewables.

PCC2 – RPS Portfolio Content Category 2: RPS Portfolio Content Category 2 includes bundled renewables where the energy and Renewable Energy Certificate (REC) are from out of state and not dynamically scheduled to a CBA.

PCC3 – RPS Portfolio Content Category 3: RPS Portfolio Content Category 3 includes Unbundled Renewable Energy Certificate (REC).

PCIA or "exit fee" – Power Charge Indifference Adjustment: The Power Charge Indifference Adjustment (PCIA) is an "exit fee" based on stranded costs of utility generation set by the California Public Utilities Commission. It is calculated annually and assessed to customers of CCAs and paid to the IOU that lost those customers as a result of the formation of a CCA.

PCL – Power Content Label: The PCL is a user-friendly way of displaying information to California consumers about the energy resources used to generate the electricity they sell, as required by AB 162 (Chapter 313, Statutes of 2009) and SB 1305 (Chapter 796, Statutes of 1997).

PD – Proposed Decision: A PD is a procedural document in a CPUC Rulemaking that is formally commented on by parties to the proceeding. A PD is a precursor to a final decision voted on by the five commissioners of the CPUC.

PG&E – Pacific Gas & Electric: PG&E is the IOU that serves 16 million people over a 70,000-square-mile service area in Northern California.

PHC – Prehearing Conference: A PHC is a CPUC hearing to discuss the scope of a proceeding, among other matters. Interested stakeholders can request party status during these conferences.

Pnode – Pricing Node: In the CAISO optimization model, this is a point where a physical injection or withdrawal of energy is modeled and for which an LMP is calculated.

PPA – Power Purchase Agreement: A PPA is a contract used to purchase the energy, capacity and attributes from a renewable resource project.

PRP – Priority Review Project: These are transportation electrification pilot projects approved by the CPUC pursuant to SB 350 (Chapter 547, Statutes of 2015).

PRRR – Progress on Residential Rate Reform: Pursuant to a CPUC decision, the IOUs must submit to the CPUC and other parties periodic updates on the progress of their efforts to assist customers with residential rate design changes related to rate reform, including tier collapse and transition to a default time of use rate.

PUC – Public Utilities Code: The PUC is a California statute that contains 33 divisions; the range of topics within this code includes natural gas restructuring, private energy producers, telecommunication services, and specific municipal utility districts and transit authorities; the primary statute for governance of utilities as well as CCAs in California.

PURPA – Public Utilities Regulatory Policy Act: The PURPA is a federal statute passed in 1978 by Congress in response to the 1973 energy crisis to encourage fuel diversity via alternative energy sources and to introduce competition into the electric sector. It was intended to promote energy conservation (reduce demand) and promote greater use of domestic energy and renewable energy (increase supply).

RA – Resource Adequacy: Under its Resource Adequacy (RA) program, the California Public Utilities Commission (CPUC) requires load-serving entities — investor-owned utilities, electricity service providers and CCAs — to demonstrate in both monthly and annual filings that they have purchased capacity commitments of no less than 115% of their peak loads.

RAM – Renewables Auction Mechanism: This is a procurement program the investor-owned utilities (IOUs) may use to procure RPS eligible generation. The IOUs may use RAM to satisfy authorized procurement needs, for example, system Resource Adequacy needs, local Resource Adequacy needs, RPS needs, reliability needs, Local Capacity Requirements, Green Tariff Shared Renewables needs and any need arising from commission or legislative mandates.

RE – Renewable Energy: Renewable energy is energy from a source that is not depleted when used, such as wind or solar power.

REC - Renewable Energy Certificate: A REC is the property right to the environmental benefits associated with generating renewable electricity. For instance, homeowners who generate solar electricity are credited with 1 solar REC for every megawatt-hour of electricity they produce. Utilities obligated to fulfill an RPS requirement can purchase these RECs on the open market.

RES-BCT – Renewables Energy Self-Generation Bill Credit Transfer: This program enables local governments and universities to share generation credits from a system located on one government-owned property with billing accounts at other government-owned properties. The system size limit under RES-BCT is 5 MW, and bill credits are applied at the generation-only portion of a customer's retail rate.

RFO – Request for Offers: This is a competitive procurement process used by organizations to solicit the submission of proposals from interested parties in response to a scope of services.

RPS - Renewable Portfolio Standard: RPS is a law that requires California utilities and other load-serving entities (including CCAs) to provide an escalating percentage of California qualified renewable power (culminating at 33% by 2020) in their annual energy portfolio.

SB – Senate Bill: A Senate Bill is a piece of legislation that is introduced in the Senate. In other words, the Senate, rather than the Assembly, is the house of origin in the Legislature for the Legislation.

SBP – Solar Billing Plan: The Solar Billing Plan, also known as the Net Billing Tariff or NEM 3.0, is the new method of compensating customer-sited renewable energy self-generation, intended to promote grid reliability and incentivize solar and battery storage.

SCE – Southern California Edison: SCE is the large IOU that serves the Los Angeles and Orange County area.

SCP – Sonoma Clean Power Authority: SCP is the CCA serving Sonoma County and surrounding areas in Northern California.

SDG&E – San Diego Gas & Electric: SDG&E is the IOU that serves San Diego County and owns the infrastructure that delivers Community Power energy to our customers.

SGIP – Self-Generation Incentive Program: SGIP is a program that provides incentives to support existing, new and emerging distributed energy resources (storage, wind turbines, waste heat to power technologies, etc.).

SUE – Super User Electric: This is an electric surcharge intended to penalize consumers for excessive energy use.

SVCE – Silicon Valley Clean Energy: SVCE is the CCA serving the communities in Santa Clara County.

TCR EPS Protocol – The Climate Registry Electric Power Sector Protocol: This refers to online tools and resources provided by The Climate Registry to assist organizations to measure, report and reduce carbon emissions.

TE – Transportation Electrification: For the transportation sector, electrification means replacing fossil fuels with electricity as the means of powering light-duty vehicles and medium- and heavy-duty trucks and buses. The primary goal is to reduce greenhouse gas (GHG) emissions and, ultimately, contribute to mitigating the effects of climate change on the planet.

Time-of-Use (TOU) Rates: TOU Rates refers to the pricing of delivered electricity based on the estimated cost of electricity during a particular time block. Time-of-use rates are usually divided into three or four time blocks per 24 hour period (on-peak, mid-peak, off-peak and sometimes super off-peak) and by seasons of the year (summer and winter). Real-time pricing differs from TOU rates in that it is based on actual (as opposed to forecasted) prices that may fluctuate many times a day and are weather sensitive, rather than varying with a fixed schedule.

TM – Tree Mortality: This is a term that refers to the death of forest trees and provides a measure of forest health. In the context of energy, as part of the Governor's Tree Mortality Emergency Proclamation, the CPUC is tasked with utilizing its authority to extend contracts and take actions to authorize new contracts on bioenergy facilities that receive feedstock from high hazard zones.

TURN – The Utility Reform Network: TURN is a ratepayer advocacy group charged with ensuring that California IOUs implement just and reasonable rates.

Unbundled RECs: Unbundled RECs are renewable energy certificates that verify a purchase of a MWH unit of renewable power where the actual power and the certificate are "unbundled" and sold to different buyers.

VPP – Virtual Power Plant: A Virtual Power Plant is a cloud-based network that leverages an aggregation of distributed energy resources (DERs) to shift energy demand or provide services to the grid. For example, thousands of EV chargers could charge at a slower speed and hundreds of home batteries could discharge to the grid during a demand peak to significantly reduce the procurement of traditional supply resources.

VAMO – Voluntary Allocation, Market Offer: VAMO is the process for SDG&E to allocate a proportional share of its renewable portfolio to Community Power and other LSEs within the service territory.