



ACCOUNTANTS' COMPILATION REPORT

Management
Orange County Power Authority

Management is responsible for the accompanying financial statements of Orange County Power Authority (a California Joint Powers Authority) which comprise the statement of net position as of March 31, 2022, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. 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
April 14, 2022

ORANGE COUNTY POWER AUTHORITY
STATEMENT OF NET POSITION
As of March 31, 2022

ASSETS

Current assets	
Cash	\$ 2,153,357
Restricted cash	5,000,000
Investments	147,469
Other receivables	189,000
Prepaid expenses	503,993
Deposits	<u>233,000</u>
Total current assets	<u>8,226,819</u>

LIABILITIES

Current liabilities	
Accrued cost of energy	283,500
Accounts payable	147,943
Other accrued liabilities	<u>156,557</u>
Total current liabilities	<u>588,000</u>
Noncurrent liabilities	
Note payable	4,000,000
Loan payable	7,652,380
Accrued interest and financing costs	<u>81,986</u>
Total noncurrent liabilities	<u>11,734,366</u>
Total liabilities	<u>12,322,366</u>

NET POSITION

Unrestricted (deficit)	<u>(4,095,547)</u>
Total net position	<u>\$ (4,095,547)</u>

ORANGE COUNTY POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2021 through March 31, 2022

OPERATING REVENUES	
Total operating revenues	\$ -
OPERATING EXPENSES	
Cost of energy	611,203
Contract services	1,631,131
Staff compensation	672,605
General and administration	105,362
Total operating expenses	3,020,301
Operating income (loss)	(3,020,301)
NONOPERATING REVENUES (EXPENSES)	
Investment income	653
Interest and financing expense	(140,835)
Nonoperating revenues (expenses), net	(140,182)
CHANGE IN NET POSITION	
Net position at beginning of period	(3,160,483)
Net position at end of period	(935,064)
	\$ (4,095,547)

ORANGE COUNTY POWER AUTHORITY
STATEMENT OF CASH FLOWS
July 1, 2021 through March 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Payments to suppliers for electricity	\$ (1,230,205)
Payments for goods and services	(1,765,031)
Payments to employees for services	(650,524)
Net cash used by operating activities	<u>(3,645,760)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Proceeds from note	4,000,000
Proceeds from loan	5,000,000
Interest and related expense payments	(56,337)
Net cash provided by non-capital financing activities	<u>8,943,663</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	267
Net cash provided (used) by investing activities	<u>267</u>

Net change in cash	5,298,170
Cash at beginning of period	1,855,187
Cash at end of period	<u><u>\$ 7,153,357</u></u>

Reconciliation to the Statement of Net Position

Cash (unrestricted)	\$ 2,153,357
Restricted cash	5,000,000
Cash and cash equivalents	<u><u>\$ 7,153,357</u></u>

ORANGE COUNTY POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2021 through March 31, 2022

**RECONCILIATION OF OPERATING LOSS TO NET
CASH USED BY OPERATING ACTIVITIES**

Operating loss	\$ (3,020,301)
Adjustments to reconcile operating loss to net cash used by operating activities	
(Increase) decrease in:	
Other receivables	(189,000)
Prepaid expenses	(503,993)
Deposits	(228,185)
Increase (decrease) in:	
Accrued cost of electricity	(46,685)
Accounts payable	283,500
Other accrued liabilities	58,904
Net cash used by operating activities	<u>\$ (3,645,760)</u>



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Orange County Power Authority

Management is responsible for the accompanying special purpose statement of Orange County Power Authority (OCPA), a California Joint Powers Authority, which comprise the budgetary comparison schedule for the period ended March 31, 2022, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. 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 statement 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, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of OCPA.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. OCPA's annual audited financial statements will include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to OCPA because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
April 14, 2022

ORANGE COUNTY POWER AUTHORITY
BUDGETARY COMPARISON REPORT
July 1, 2021 through March 31, 2022

	YTD Actual	YTD Amended Budget	YTD Amended Budget Variance (under) Over	YTD Amended Budget Variance (under) Over %	Annual Amended Budget	Amended Budget Remaining
OPERATING REVENUES						
Electricity Sales, net	\$ -	\$ -	\$ -		\$ 44,367,000	\$ 44,367,000
OPERATING EXPENSES						
Cost of Electricity	611,203	1,152,321	(541,118)	53.0%	40,816,000	40,204,797
Service Fees - SCE	-	-	-		14,000	14,000
Personnel	672,605	913,940	(241,335)	73.6%	1,522,000	849,395
Professional Services	754,849	783,269	(28,420)	96.4%	1,137,000	382,151
Legal	634,800	645,686	(10,886)	98.3%	800,000	165,200
Communications & Outreach	241,482	307,818	(66,336)	78.4%	433,000	191,518
General and administration	105,362	135,166	(29,804)	78.0%	201,000	95,638
Total operating expenses	3,020,301	3,938,200	(917,899)		44,923,000	41,902,699
Operating income (loss)	(3,020,301)	(3,938,200)	917,899		(556,000)	2,464,301
NONOPERATING REVENUES (EXPENSES)						
Investment income	653	-	653	na	-	(653)
Interest and financing expense	(140,835)	(103,165)	37,670	136.5%	(149,000)	(8,165)
Nonoperating revenues (expenses), net	(140,182)	(103,165)	38,323		(149,000)	(8,818)
CHANGE IN NET POSITION	\$ (3,160,483)	\$ (4,041,365)	\$ 956,222		\$ (705,000)	\$ 2,455,483

**ORANGE COUNTY POWER AUTHORITY
BUDGETARY COMPARISON REPORT
July 1, 2021 through March 31, 2022**

Budget Item	YTD Variance	Comment
Electric Sales Revenue	0.0%	Currently no variance, no sales have occurred through the reporting period.
Cost of Energy	53.0%	Variances in this category are typically due to (1) timing difference between projected and actual REC deliveries, (2) variance from actual to anticipated market prices, and (3) variance from actual to expected volume used by customers.
Personnel	73.6%	Staffing expenses are under budget due to the timing of new hires.
Professional Services	96.4%	This category includes accounting, IT, technical and other consultants.
Legal Costs	98.3%	This category includes outside legal costs for regulatory and energy procurement needs.
Marketing and customer enrollment	78.4%	This category includes customer noticing, advertising and other customer communications.
Other General & Administrative	78.0%	This category includes occupancy costs, industry membership dues, and other general and administrative costs.
Interest and financing expenses	136.5%	This category includes interest and fees related to debt.