

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 4.3

To: Orange County Power Authority Board of Directors

From: Tiffany Law, Chief Financial Officer
Mike Maher, CPA

Subject: FINANCIAL RESULTS – QUARTER ENDED SEPTEMBER 30, 2021

Date: October 12, 2021

RECOMMENDED ACTION

Receive and file.

BACKGROUND

Orange County Power Authority prepares its financial statements in accordance with Generally Accepted Accounting Principles. Accordingly, OCPA's financial statements are presented as a governmental enterprise fund and are reported using the full accrual basis of accounting – like a business enterprise.

OCPA has prepared financial statements for the year-to-date July 1, 2021, through September 30, 2021 (omitting note disclosures and cash flow statement) as well as a year-to-date Budget to Actual report for the same period.

There were no unusual transactions of note during this period of reporting.

FISCAL IMPACT

There is no fiscal impact associated with approving this item. It is presented for informational purposes only.

ATTACHMENT

1. Financial Statements (Statement of Net Position; Statement of Revenues, Expenses and Changes in Net Position)
2. Budget to Actual Comparison Report



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 September 30, 2021, and the related statement of revenues, expenses, and changes in net position 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 and statement of cash flows required by accounting principles generally accepted in the United States of America in these interim financial statements. If the omitted disclosures and statement of cash flows 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 4, 2021

ORANGE COUNTY POWER AUTHORITY
STATEMENT OF NET POSITION
As of September 30, 2021

ASSETS

Current assets		
Cash and cash equivalents	\$	1,315,705
Investments		147,213
Deposits		4,815
Total current assets		1,467,733

LIABILITIES

Current liabilities		
Accounts payable		126,784
Other accrued liabilities		189,521
Total current liabilities		316,305
Noncurrent liabilities		
Loan payable		2,652,380
Total noncurrent liabilities		2,652,380
Total liabilities		2,968,685

NET POSITION

Unrestricted (deficit)		(1,500,952)
Total net position	\$	(1,500,952)

ORANGE COUNTY POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2021 through September 30, 2021

OPERATING REVENUES

Total operating revenues	\$ -
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OPERATING EXPENSES

Contract services	436,686
Staff compensation	140,296
General and administration	31,612
Total operating expenses	608,594
Operating income (loss)	(608,594)

NONOPERATING REVENUES (EXPENSES)

Investment income	130
Interest and financing expense	(11,972)
Nonoperating revenues (expenses), net	(11,842)

CHANGE IN NET POSITION

Net position at beginning of period	(620,436)
Net position at end of period	(880,516)
	\$ (1,500,952)



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 September 30, 2021, 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
October 4, 2021

ORANGE COUNTY POWER AUTHORITY
BUDGETARY COMPARISON REPORT
July 1, 2021 through September 30, 2021

	YTD Actual	YTD Budget	YTD Budget Variance (under) Over	YTD Budget Variance (under) Over %	Annual Budget	Budget Remaining
OPERATING REVENUES						
Electricity Sales, net	\$ -	\$ -	\$ -		\$ 35,475,000	\$ 35,475,000
OPERATING EXPENSES						
Cost of Electricity	-	-	-		26,632,000	26,632,000
Data Manager	-	-	-		96,000	96,000
Service Fees - SCE	-	-	-		10,000	10,000
Personnel	140,296	180,000	(39,704)	77.9%	1,262,000	1,121,704
Professional Services	204,339	225,750	(21,411)	90.5%	903,000	698,661
Legal	192,988	88,500	104,488	218.1%	354,000	161,012
Communications & Outreach	39,359	114,500	(75,141)	34.4%	458,000	418,641
General and administration	31,612	45,000	(13,388)	70.2%	402,000	370,388
Total operating expenses	<u>608,594</u>	<u>653,750</u>	<u>(45,156)</u>		<u>30,117,000</u>	<u>29,508,406</u>
Operating income (loss)	<u>(608,594)</u>	<u>(653,750)</u>	<u>45,156</u>		<u>5,358,000</u>	<u>5,966,594</u>
NONOPERATING REVENUES (EXPENSES)						
Investment income	130	-	130	na	-	(130)
Interest and financing expense	<u>(11,972)</u>	<u>(12,000)</u>	<u>(28)</u>	99.8%	<u>(858,000)</u>	<u>(846,028)</u>
Nonoperating revenues (expenses), net	<u>(11,842)</u>	<u>(12,000)</u>	<u>102</u>		<u>(858,000)</u>	<u>(846,158)</u>
CHANGE IN NET POSITION	<u>\$ (620,436)</u>	<u>\$ (665,750)</u>	<u>\$ 45,258</u>		<u>\$ 4,500,000</u>	<u>\$ 5,120,436</u>