



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 June 30, 2025, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the year 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. Orange County Power Authority's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

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

Maher Accountancy

San Rafael, CA
September 4, 2025

ORANGE COUNTY POWER AUTHORITY
STATEMENT OF NET POSITION
As of June 30, 2025

ASSETS

Current assets

Cash - unrestricted	\$ 58,486,083
Cash - restricted	400,000
Investments	21,948,918
Accounts receivable, net of allowance	14,299,580
Accrued revenue	14,057,594
Other receivables	4,801,083
Prepaid expenses	84,241
Deposits	16,370,088
Total current assets	<u>130,447,587</u>

Noncurrent assets

Cash - restricted	6,241,140
Deposits	6,578,659
Capital assets, net of depreciation and amortization	1,087,950
Total noncurrent assets	<u>13,907,749</u>
Total assets	<u>144,355,336</u>

LIABILITIES

Current liabilities

Accrued cost of electricity	58,010,025
Accounts payable	735,275
Other accrued liabilities	1,017,276
User taxes and energy surcharges due to other governments	605,921
Lease liability	114,714
Total current liabilities	<u>60,483,211</u>

Noncurrent liabilities

Loans payable	7,527,841
Accrued interest	563,571
Lease liability	766,271
Total noncurrent liabilities	<u>8,857,683</u>
Total liabilities	<u>69,340,894</u>

DEFERRED INFLOWS OF RESOURCES

Rate Stabilization Fund	<u>30,000,000</u>
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NET POSITION

Net investment in capital assets	206,965
Unrestricted	44,807,477
Total net position	<u>\$ 45,014,442</u>

ORANGE COUNTY POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Year Ended June 30, 2025

OPERATING REVENUES

Electricity sales, net	\$ 268,450,943
Revenue from (deferred to) Rate Stabilization Fund	15,000,000
Other income	133,307
Total operating revenues	<u>283,584,250</u>

OPERATING EXPENSES

Cost of electricity	275,724,133
Contract services	6,049,764
Staff compensation	4,388,061
Other operating expenses	1,423,819
Depreciation and amortization	181,515
Total operating expenses	<u>287,767,292</u>
Operating income (loss)	<u>(4,183,042)</u>

NONOPERATING REVENUES (EXPENSES)

Investment income	4,630,570
Interest expense	(298,757)
Nonoperating revenues (expenses), net	<u>4,331,813</u>

CHANGE IN NET POSITION

	148,771
Net position at beginning of period	44,865,670
Net position at end of period	<u>\$ 45,014,441</u>

ORANGE COUNTY POWER AUTHORITY
STATEMENT OF CASH FLOWS
Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 290,540,829
Receipts from wholesale sales and other operating receipts	34,113,300
Receipts of security deposits	1,472,695
Payments to suppliers for electricity	(320,719,896)
Payments for other goods and services	(7,689,536)
Payments for deposits and collateral	(11,622,600)
Payments for staff compensation	(4,127,457)
Payments of taxes and energy surcharges to other governments	(4,131,684)
Net cash provided (used) by operating activities	<u>(22,164,349)</u>

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES**

Payments of lease liability	(66,215)
Purchases of capital assets	(376,742)
Net cash (used) by capital and related financing activities	<u>(442,957)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment income received	4,333,780
Proceeds from investment sales and maturities of investments	2,000,000
Purchase of investments	(3,934,667)
Net cash provided (used) by investing activities	<u>2,399,113</u>

Net change in cash	(20,208,194)
Cash at beginning of period	85,335,416
Cash at end of period	<u><u>\$ 65,127,222</u></u>

Reconciliation to the Statement of Net Position

Cash - unrestricted, current	\$ 58,486,083
Cash - restricted, current	400,000
Cash - restricted, noncurrent	6,241,140
Total cash at end of period	<u><u>\$ 65,127,223</u></u>

ORANGE COUNTY POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
Year Ended June 30, 2025

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

Operating income (loss)	\$ (4,183,042)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities	
Depreciation and amortization expense	181,515
(Increase) decrease in:	
Accounts receivable	12,528,971
Other receivables	2,381,817
Accrued revenue	6,028,254
Prepaid expenses	109,205
Deposits and other assets	(9,835,420)
Increase (decrease) in:	
Accrued cost of electricity	(13,602,607)
Accounts payable	(281,446)
Other accrued liabilities	107,427
User taxes and energy surcharges due to other governments	(599,023)
Rate Stabilization Fund	(15,000,000)
Net cash provided (used) by operating activities	<u>\$ (22,164,349)</u>

**NONCASH CAPITAL AND RELATED
FINANCING ACTIVITIES**

Acquisition of lease asset	\$ 892,723
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NONCASH INVESTING ACTIVITIES

Change in fair value of investments	\$ 296,790
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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Orange County Power Authority

Management is responsible for the operating fund budget comparison report of Orange County Power Authority (OCPA), a California Joint Powers Authority, for the year ended June 30, 2025, 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 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
September 4, 2025

ORANGE COUNTY POWER AUTHORITY
OPERATING FUND BUDGET COMPARISON REPORT
Year Ended June 30, 2025

	Year-to-Date			Actual as a
	Actual	Amended Budget	Amended Budget Variance (Under) Over	Percent of Amended Budget
OPERATING REVENUES				
Electricity Sales, net	\$ 268,450,943	\$ 266,900,000	\$ 1,550,943	100.6%
Revenue from (deferred to) Rate Stabilization Fund	15,000,000	45,000,000	(30,000,000)	33.3%
Total operating revenues	283,450,943	311,900,000	(28,449,057)	
OPERATING EXPENSES				
Cost of Energy	275,724,133	285,539,000	(9,814,867)	96.6%
Data Manager	1,811,691	1,850,000	(38,309)	97.9%
Utilities Service Fees	450,877	572,000	(121,123)	78.8%
Staffing Costs	4,388,061	4,738,000	(349,939)	92.6%
Contract Services	1,434,207	1,610,000	(175,793)	89.1%
Legal Services	470,954	596,000	(125,046)	79.0%
Marketing and Outreach	1,655,001	1,794,000	(138,999)	92.3%
Other G&A	1,316,330	1,429,000	(112,670)	92.1%
Energy Programs	462,058	592,000	(129,942)	78.1%
Total operating expenses	287,713,312	298,720,000	(11,006,688)	
Operating income (loss)	(4,262,369)	13,180,000	(17,442,369)	
NONOPERATING REVENUES (EXPENSES)				
Investment and miscellaneous income	4,763,877	4,499,000	264,877	105.9%
Interest expense	(298,757)	(315,001)	16,244	94.8%
Capital Outlay	(376,742)	(376,742)	-	100.0%
Nonoperating revenues (expenses), net	4,088,378	3,807,257	281,121	
CHANGE IN FUND BALANCE	<u>\$ (173,991)</u>	<u>\$ 16,987,257</u>	<u>\$ (17,161,248)</u>	

See accountants' compilation report.

ORANGE COUNTY POWER AUTHORITY
BUDGET COMPARISON REPORT (CONTINUED)
RECONCILIATION OF NET INCREASE IN AVAILABLE FUND BALANCE
TO CHANGE IN NET POSITION
Year Ended June 30, 2025

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$ (173,991)
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(53,980)
Add back capital asset acquisitions and reclassifications	376,742
Change in net position	<u><u>\$ 148,771</u></u>

ORANGE COUNTY POWER AUTHORITY
BUDGETARY COMPARISON REPORT
Year Ended June 30, 2025

Budget Item	Actual / Budget %	Comment
Electric Sales Revenue	100.6%	Year-to-date energy sales are in very close alignment to forecast. Sales revenue includes revenues actually billed to customers as well as estimated customer usage during the reporting period that is not yet billed.
Cost of Energy	96.6%	The variance is affected by increased energy purchases required to provide for greater than expected customer load. Also affecting the variance is the timing difference between projected and actual delivery of Renewable Energy Certificates (RECs) and fluctuating market prices.
Data Manager	97.9%	These are Calpine fees charged on a per active account basis.
Service Fees - SCE	78.8%	These are SCE fees charged on a per customer basis.
Personnel	92.6%	Staffing expenses are under budget due to the timing delay of new hires.
Professional Services	89.1%	This category includes accounting and audit, rates and financial & planning analysis, portfolio management, scheduling coordinator, HR including recruitment services, IT, and other consultants.
Legal Costs	79.0%	This category includes outside legal costs for general counsel, energy procurement transactional support, labor, clerk support, regulatory, member agency withdrawal services.
Marketing and customer enrollment	92.3%	This category includes advertising, strategic marketing & communications, digital marketing and website development and hosting, collateral marketing, translation, sponsorships & memberships, promotional items, required customer notifications printing and mailing.
Other General & Administrative	92.1%	This category includes ordinary G&A including rent, CalCCA membership, general business insurance, small equipment and software, travel, business meals, professional development, office supplies, and one-off new office related expenses (e.g., open house, office setup, etc.).
Energy Programs	78.1%	Energy program costs include incentives and rebates paid to customers, as well as consulting and G&A costs directly related to the implementation of program activities.
Interest expenses	94.8%	This category includes accrued interest on the loan from the City, as well as imputed interest on the office lease, as required by Governmental Accounting Standards Board Statement No. 87.

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