



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
AVA Community Energy

Management is responsible for the accompanying financial statements of AVA Community Energy (a California Joint Powers Authority) which comprise the statement of net position as of March 31, 2024, and the related statements of revenues, expenses, and changes in net position, and the statement of cash flows for the three months and year-to-date 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. AVA Community Energy's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

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

Maher Accountancy

San Rafael, CA
May 14, 2024

AVA COMMUNITY ENERGY
STATEMENT OF NET POSITION
As of March 31, 2024

ASSETS

Current assets	
Cash and cash equivalents - unrestricted	\$ 514,780,318
Accounts receivable, net of allowance	79,029,271
Accrued revenue	45,353,802
Other receivables	10,496,438
Prepaid expenses	2,907,560
Deposits	7,302,495
Total current assets	<u>659,869,884</u>
Noncurrent assets	
Unrestricted cash and cash equivalents in Rate Stabilization Fund	42,509,163
Deposits	1,188,523
Loan receivable	288,837
Lease asset, net of amortization	692,540
Capital assets:	
Non-depreciable assets	9,386,864
Furniture and equipment, net of depreciation	429,537
Total capital assets	<u>9,816,401</u>
Total noncurrent assets	<u>54,495,464</u>
Total assets	<u>714,365,348</u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	115,369,664
Accounts payable	3,279,630
Advances from grantors	9,085,327
Other accrued liabilities	2,384,401
User taxes and energy surcharges due to other governments	8,544,238
Lease liability	846,970
Security deposits - energy suppliers	4,788,328
Total current liabilities	<u>144,298,558</u>
Noncurrent liabilities	
Security deposits - energy suppliers	3,600,000
Total liabilities	<u>147,898,558</u>

DEFERRED INFLOWS OF RESOURCES

Rate Stabilization Fund	<u>42,509,163</u>
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NET POSITION

Net investment in capital assets	9,661,971
Unrestricted	514,295,656
Total net position	<u>\$ 523,957,627</u>

AVA COMMUNITY ENERGY
STATEMENT OF REVENUES, EXPENSES
AND CHANGE IN NET POSITION
Nine Months Ended March 31, 2024

	<u>Three Months</u>	<u>Year-to-Date</u>
OPERATING REVENUES		
Electricity sales, net	\$ 215,988,350	\$ 689,591,086
Revenue directed from Rate Stabilization Fund	10,504,837	10,504,837
Liquidated damages	4,096,427	9,538,197
Grant revenue	382,448	1,051,241
Other operating revenues	124,345	413,105
Total operating revenues	<u>231,096,407</u>	<u>711,098,466</u>
OPERATING EXPENSES		
Cost of electricity	169,579,483	528,407,687
Contract services	4,785,927	13,549,330
Staff compensation	4,348,572	12,013,957
Other operating expenses	730,845	3,839,468
Depreciation and amortization	390,656	456,486
Total operating expenses	<u>179,835,483</u>	<u>558,266,928</u>
Operating income (loss)	<u>51,260,924</u>	<u>152,831,538</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income	4,085,659	9,069,387
Financing costs	(391,370)	(599,574)
Nonoperating revenues (expenses), net	<u>3,694,289</u>	<u>8,469,813</u>
CHANGE IN NET POSITION	54,955,213	161,301,351
Net position at beginning of period	<u>469,002,414</u>	<u>362,656,276</u>
Net position at end of period	<u>\$ 523,957,627</u>	<u>\$ 523,957,627</u>

AVA COMMUNITY ENERGY
STATEMENT OF CASH FLOWS
Nine Months Ended March 31, 2024

	Three Months	Year-to-Date
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 228,414,179	\$ 722,657,165
Other operating receipts	7,905,764	14,065,138
Receipts of supplier security deposits	50,498	6,020,858
Payments to suppliers for electricity	(160,246,009)	(475,011,624)
Payments for other goods and services	(5,455,799)	(17,923,141)
Payments of staff compensation	(4,189,718)	(11,605,696)
Deposits and collateral paid	(534,941)	(7,751,824)
Tax and surcharge payments to other governments	(7,952,843)	(26,343,602)
Net cash provided (used) by operating activities	57,991,131	204,107,274
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Payments of financing costs	(226,718)	(329,852)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments of lease liability	(118,303)	(236,607)
Payments to acquire capital assets	(132,595)	(310,897)
Net cash (used) by capital and related financing activities	(250,898)	(547,504)
CASH FLOWS FROM INVESTING ACTIVITIES		
Principal payments received of loan receivable	191,135	202,184
Investment income received	4,180,185	8,808,146
Net cash provided (used) by investing activities	4,371,320	9,010,330
Net change in cash and cash equivalents	61,884,835	212,240,248
Cash and cash equivalents at beginning of period	495,404,646	345,049,233
Cash and cash equivalents at end of period	\$ 557,289,481	\$ 557,289,481
Reconciliation to the Statement of Net Position		
Unrestricted cash and cash equivalents (current)	\$ 514,780,318	\$ 514,780,318
Unrestricted cash and cash equivalents (noncurrent)	42,509,163	42,509,163
Cash and cash equivalents	\$ 557,289,481	\$ 557,289,481

AVA COMMUNITY ENERGY
STATEMENT OF CASH FLOWS (Continued)
Nine Months Ended March 31, 2024

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

	<u>Three Months</u>	<u>Year-to-Date</u>
Operating income (loss)	\$ 51,260,924	\$ 152,831,538
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation and amortization expense	217,520	456,486
(Increase) decrease in:		
Accounts receivable	(2,174,912)	5,169,389
Market settlements receivable	-	807,102
Other receivables	(6,828,468)	(10,144,629)
Accrued revenue	5,253,108	413,527
Prepaid expenses	25,636	15,480,524
Deposits	(255,463)	(7,412,853)
Increase (decrease) in:		
Accrued cost of electricity	14,988,851	50,233,529
Accounts payable	397,576	(1,256,581)
Other accrued liabilities	162,561	429,148
Advances from grantors	4,597,644	4,597,644
Deferred revenue	(121,769)	512,000
User taxes due to other governments	1,394,793	1,139,560
Security deposits from energy suppliers	(422,032)	1,355,728
Rate Stabilization Fund	(10,504,837)	(10,504,837)
Net cash provided (used) by operating activities	<u>\$ 57,991,131</u>	<u>\$ 204,107,274</u>