



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 December 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 six 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 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
February 7, 2025

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

ASSETS

Current assets	
Cash and cash equivalents - unrestricted	\$ 388,231,317
Cash and cash equivalents - restricted	8,015,906
Accounts receivable, net of allowance	84,866,701
Accrued revenue	45,632,247
Other receivables	3,119,744
Prepaid expenses	4,667,967
Deposits	4,212,125
Investments	31,960,980
Total current assets	570,706,987
Noncurrent assets	
Cash and cash equivalents in Rate Stabilization Fund - unrestricted	57,472,293
Deposits	1,090,907
Investments	286,256,555
Loan receivable	2,336,589
Capital assets, net of depreciation and amortization	9,952,531
Total noncurrent assets	357,108,875
Total assets	927,815,862

LIABILITIES

Current liabilities	
Accrued cost of electricity	164,818,978
Accounts payable	3,194,335
Advances from grantors	8,015,906
Other accrued liabilities	1,791,160
User taxes and energy surcharges due to other governments	8,122,890
Lease liability	252,660
Security deposits - energy suppliers	5,746,750
Total current liabilities	191,942,679
Noncurrent liabilities	
Security deposits - energy suppliers	3,600,000
Total liabilities	195,542,679

DEFERRED INFLOWS OF RESOURCES

Rate Stabilization Fund	79,916,987
-------------------------	------------

NET POSITION

Net investment in capital assets	9,699,871
Unrestricted	642,656,325
Total net position	\$ 652,356,196

AVA COMMUNITY ENERGY

**STATEMENT OF REVENUES, EXPENSES
AND CHANGE IN NET POSITION**

Three Months and Year-to-Date Ended December 31, 2024

	Three Months	Year-to-Date
OPERATING REVENUES		
Electricity sales for resale		
Electricity sales, net	\$ 211,785,121	\$ 483,412,777
Liquidated damages	3,262,500	9,577,500
Grant revenue	1,077,421	1,486,448
Other operating revenues	16,906	118,637
Total operating revenues	216,141,948	494,595,362
OPERATING EXPENSES		
Cost of electricity	182,338,646	359,938,505
Contract services	5,778,818	11,831,766
Staff compensation	4,606,365	9,645,632
Other operating expenses	2,394,232	3,889,842
Depreciation and amortization	226,822	458,306
Total operating expenses	195,344,883	385,764,051
Operating income (loss)	20,797,065	108,831,311
NONOPERATING REVENUES (EXPENSES)		
Investment income	4,116,483	8,215,210
Interest expense	(9,544)	(24,356)
Nonoperating revenues (expenses), net	4,106,939	8,190,854
CHANGE IN NET POSITION		
Net position at beginning of period	24,904,004	117,022,165
	627,452,192	535,334,031
Net position at end of period	\$ 652,356,196	\$ 652,356,196

AVA COMMUNITY ENERGY
STATEMENT OF CASH FLOWS

Three Months and Year-to-Date Ended December 31, 2024

	Three Months	Year-to-Date
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 233,039,266	\$ 517,428,566
Receipts of supplier security deposits	3,932,252	3,932,252
Other operating receipts	3,366,566	10,161,737
Payments to suppliers for electricity	(155,166,501)	(340,806,306)
Payments for other goods and services	(11,456,259)	(17,551,396)
Payments for staff compensation	(4,788,384)	(9,577,762)
Payments for deposits and collateral	(3,894,000)	(8,894,000)
Payments of taxes and surcharges to other governments	(8,679,853)	(17,921,289)
Net cash provided by operating activities	56,353,087	136,771,802
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments of lease liability	(243,705)	(480,312)
Purchases of capital assets	(41,881)	(87,745)
Net cash (used) by capital and related financing activities	(285,586)	(568,057)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	4,363	4,363
Principal payments received of loan receivable	3,638	7,226
Investment income received	3,019,027	7,147,896
Purchase of investments	(319,172,441)	(319,172,441)
Loan issued	(2,057,344)	(2,057,344)
Net cash provided (used) by investing activities	(318,202,757)	(314,070,300)
Net change in cash and cash equivalents	(262,135,256)	(177,866,555)
Cash and cash equivalents at beginning of period	715,854,772	631,586,071
Cash and cash equivalents at end of period	\$ 453,719,516	\$ 453,719,516
Reconciliation to the Statement of Net Position		
Cash and cash equivalents - unrestricted (current)	\$ 388,231,317	\$ 388,231,317
Cash and cash equivalents - restricted (current)	8,015,906	8,015,906
Cash and cash equivalents (noncurrent)	57,472,293	57,472,293
Cash and cash equivalents	\$ 453,719,516	\$ 453,719,516

AVA COMMUNITY ENERGY
STATEMENT OF CASH FLOWS (Continued)
Three Months and Year-to-Date Ended December 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)	\$ 20,797,065	\$ 108,831,311
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation and amortization expense	226,822	458,306
(Increase) decrease in:		
Accounts receivable	6,131,976	96,104
Market settlements receivable	1,534,027	-
Other receivables	283,095	(756,574)
Accrued revenue	6,644,550	15,320,146
Prepaid expenses	(2,091,890)	(1,842,426)
Deposits	6,931,232	1,931,232
Increase (decrease) in:		
Accrued cost of electricity	18,734,321	15,519,469
Accounts payable	(3,925,836)	(2,218,473)
Other accrued liabilities	(181,825)	59,725
Advances from grantors	(1,005,657)	(1,036,245)
Deferred revenue	97,958	(1,686,978)
User taxes due to other governments	(202,233)	678,253
Security deposits from energy suppliers	2,379,482	1,417,952
Net cash provided (used) by operating activities	<u>\$ 56,353,087</u>	<u>\$ 136,771,802</u>

NONCASH INVESTING ACTIVITIES

Unrealized appreciation (depreciation) and timing differences in investment income	\$ 1,097,456	\$ 1,067,314
---	--------------	--------------