



## 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, 2025, and the related statements of revenues, expenses, and changes in net position, and the statement of cash flows for the three 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 5, 2026

**AVA COMMUNITY ENERGY AUTHORITY**  
**STATEMENT OF NET POSITION**  
**As of December 31, 2025**

**ASSETS**

Current assets	
Cash and cash equivalents - unrestricted	\$ 478,004,474
Cash and cash equivalents - restricted	2,629,943
Accounts receivable, net of allowance	111,909,158
Accrued revenue	54,001,907
Other receivables	9,962,405
Prepaid expenses	6,786,869
Investments	29,817,347
Total current assets	693,112,103
Noncurrent assets	
Deposits	1,068,401
Investments	315,830,507
Loans receivable	2,683,688
Capital assets, net of depreciation and amortization	22,375,239
Total noncurrent assets	341,957,835
Total assets	1,035,069,938

**LIABILITIES**

Current liabilities	
Accrued cost of electricity	116,225,620
Accounts payable	3,988,289
Advances from grantors	2,629,943
Other accrued liabilities	3,321,077
User taxes and energy surcharges due to other governments	13,380,911
Lease liability	427,210
Security deposits - energy suppliers	4,355,630
Total current liabilities	144,328,680
Noncurrent liabilities	
Lease liability	11,708,446
Total noncurrent liabilities	11,708,446
Total liabilities	156,037,126

**DEFERRED INFLOWS OF RESOURCES**

Rate Stabilization Fund	188,014,795
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**NET POSITION**

Net investment in capital assets	10,022,546
Unrestricted	680,995,471
Total net position	\$ 691,018,017

**AVA COMMUNITY ENERGY AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGE IN NET POSITION**  
**Six Months Ended December 31, 2025**

	<b>Three Months</b>	<b>Year-to-Date</b>
<b>OPERATING REVENUES</b>		
Electricity sales, net	\$ 255,124,740	\$ 587,546,575
Grant revenue	85,429	1,392,222
Other operating revenues	259,399	1,887,827
Total operating revenues	255,469,568	590,826,624
<b>OPERATING EXPENSES</b>		
Cost of electricity	205,896,531	435,153,988
Contract services	5,249,174	11,387,003
Staff compensation	5,741,509	11,879,051
Other operating expenses	4,499,095	7,458,242
Depreciation and amortization	274,242	540,505
Total operating expenses	221,660,551	466,418,789
Operating income (loss)	33,809,017	124,407,835
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment income	6,327,930	13,193,695
Interest expense	(242,711)	(481,379)
Nonoperating revenues (expenses), net	6,085,219	12,712,316
<b>CHANGE IN NET POSITION</b>		
Net position at beginning of period	39,894,236	137,120,151
	651,123,781	553,897,866
Net position at end of period	\$ 691,018,017	\$ 691,018,017

**AVA COMMUNITY ENERGY AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**Six Months Ended December 31, 2025**

	<b>Three Months</b>	<b>Year-to-Date</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 298,533,324	\$ 617,991,801
Receipts of liquidated damages	137,013	137,013
Receipts from grantors	-	692,177
Other operating receipts	5,454,174	6,510,431
Receipts of supplier security deposits	29,840,748	31,044,287
Payments to suppliers for electricity	(248,236,522)	(466,783,681)
Payments for other goods and services	(10,464,862)	(21,864,189)
Payments for staff compensation	(5,323,537)	(11,436,543)
Payments of deposits and collateral	(24,000,000)	(29,840,748)
Payments of taxes and surcharges to other governments	(8,682,522)	(19,216,778)
Net cash provided by operating activities	37,257,816	107,233,770
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Payments of lease	(223,755)	(223,755)
Purchases of capital assets	(297,798)	(1,568,340)
Net cash used by capital and related financing activities	(521,553)	(1,792,095)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sales and maturities of investments	50,242,408	62,836,093
Investment income received	3,019,091	5,018,236
Loan principal received	3,861	8,927
Purchase of investments	(50,532,486)	(70,414,436)
Loan issued	-	(750,000)
Net cash provided (used) by investing activities	2,732,874	(3,301,180)
Net change in cash and cash equivalents	39,469,137	102,140,495
Cash and cash equivalents at beginning of period	441,165,280	378,493,922
Cash and cash equivalents at end of period	\$ 480,634,417	\$ 480,634,417
<b>Reconciliation to the Statement of Net Position</b>		
Cash and cash equivalents - unrestricted	\$ 478,004,474	\$ 478,004,474
Cash and cash equivalents - restricted	2,629,943	2,629,943
Cash and cash equivalents	\$ 480,634,417	\$ 480,634,417

**AVA COMMUNITY ENERGY AUTHORITY**  
**STATEMENT OF CASH FLOWS (Continued)**  
**Six Months Ended December 31, 2025**

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

	<u>Three Months</u>	<u>Year-to-Date</u>
Operating income (loss)	\$ 33,809,017	\$ 124,407,835
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation and amortization expense	274,242	540,505
(Increase) decrease in:		
Accounts receivable	17,895,191	(19,262,356)
Other receivables	3,870,396	(3,291,234)
Accrued revenue	14,388,655	7,175,351
Prepaid expenses	(752,581)	(1,586,014)
Deposits	(23,858,136)	(29,671,675)
Increase (decrease) in:		
Accrued cost of electricity	(40,128,571)	(21,588,772)
Accounts payable	(1,269,316)	(2,185,218)
Other accrued liabilities	286,309	297,402
Advances from grantors	(85,429)	(1,061,294)
Deferred revenue	775,101	745,541
User taxes due to other governments	2,442,221	4,925,673
Security deposits from energy suppliers	29,610,708	29,398,247
Rate Stabilization Fund	-	18,389,780
Net cash provided (used) by operating activities	<u>\$ 37,257,806</u>	<u>\$ 107,233,770</u>

**NONCASH INVESTING ACTIVITIES**

Change in fair value of investments	\$ 3,411,456	\$ 8,404,521
Change in interest receivable	\$ (102,617)	\$ (229,062)

**NONCASH CAPITAL FINANCING ACTIVITIES**

Capital acquisitions included in accounts payable and other liabilities	\$ 217,037	\$ 217,037
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