

SAN JOSE CLEAN ENERGY
(An Enterprise Fund of the City of San José)
Statement of Net Position
December 31, 2022
(unaudited)

ASSETS

Current Assets:

Equity in pooled cash and investments held in City Treasury	\$ 126,653,078
Receivables (net of allowance for uncollectibles)	60,721,817
Prepaid expenses, advances and deposits	6,268,463
Total unrestricted current assets	<u>193,643,358</u>

Restricted assets:

Equity in pooled cash and investments held in City Treasury	21,666,776
Total current assets:	<u>215,310,134</u>

Noncurrent assets:

Net pension asset	2,746,665
Net OPEB asset	1,878,274
Total noncurrent assets	<u>4,624,939</u>
Total assets	<u>219,935,073</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related items	2,927,239
OPEB related items	713,997
Total deferred outflows of resources	<u>3,641,236</u>

LIABILITIES

Current liabilities:

Accrued cost of electricity	31,553,038
Accounts payable	4,419,764
Accrued salaries, wages, and payroll taxes	189,699
Accrued vacation, sick leave and compensatory time	410,306
User taxes and energy surcharges due to other governments	4,889,162
Advances and deposits payable	1,241,680
Community Investment Pass-through	375,000
Due to SJFA - Commercial Paper	60,000,000
Unearned Revenue	12,179,014
Total liabilities	<u>115,257,663</u>

DEFERRED INFLOWS OF RESOURCES

Pension related items	3,833,793
OPEB related items	848,184
Total deferred inflows of resources	<u>4,681,977</u>

NET POSITION

Restricted for debt service	20,000,000
Unrestricted	83,636,669
Total net position	<u>\$ 103,636,669</u>

SAN JOSE CLEAN ENERGY
(An Enterprise Fund of the City of San José)
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Period July 1, 2022 to December 31, 2022
(unaudited)

OPERATING REVENUES

Power sales	\$	264,695,271
Total operating revenues		<u>264,695,271</u>

OPERATING EXPENSES

Power purchases	200,602,198
Operations and maintenance	4,229,798
General and administrative	5,835,843
Total operating expenses	<u>210,667,839</u>
Operating income	<u>54,027,432</u>

NONOPERATING REVENUES (EXPENSES)

Program grants	1,854,693
Investment revenue	1,357,224
Interest expense	(1,052,097)
Letter of Credit fees	(389,684)
Commercial Paper fees	(205,144)
Intergovernmental payment to City of San Jose	<u>(287,781)</u>
Net nonoperating revenues	<u>1,277,211</u>

Change in net assets	55,304,643
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Net position - beginning	48,332,026
Net position - ending	<u>\$ <u>103,636,669</u></u>

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Statement of Cash Flows
For the Period July 1, 2022 to December 31, 2022
(Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 281,769,817
Receipts from customers of tax and surcharge	745,870
Payments to suppliers	(198,801,326)
Payments to employees	(4,273,536)
Net cash provided (used) in operating activities	<u>79,440,825</u>

CASH FLOWS FROM NONCAPITAL AND FINANCING ACTIVITIES

Subsidies from program grants	1,854,693
Advances, deposits and credits	6,604,964
Net cash provided (used) by noncapital and related financing activities	<u>8,459,657</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Interest paid on debt	(1,052,097)
Letter of credit fees	(199,985)
Commercial paper fees	(205,144)
Intergovernmental payment to City of San Jose	(287,781)
Net cash provided (used) by capital and related financing activities	<u>(1,745,007)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and dividends received	1,357,224
Net cash provided (used) by investing activities	<u>1,357,224</u>

Net change in cash and cash equivalents	87,512,699
Cash and cash equivalents - beginning	60,807,155
Cash and cash equivalents - ending	<u>\$ 148,319,854</u>

Reconciliation of operating income to net cash provided (used) by operating activities:

Operating income	\$ <u>54,027,432</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Decrease (increase) in:	
Accounts receivable	17,509,866
Prepaid expenses, advances and deposits	(1,412,734)
Increase (decrease) in:	
Accrued cost of electricity	6,315,329
Accounts payable	3,072,481
Accrued salaries, wages, and payroll taxes	(382,099)
User taxes due to other governments	745,870
Customer reserve funds	(435,320)
Total adjustments	<u>25,413,393</u>
Net cash provided in operating activities	<u>\$ 79,440,825</u>

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**Reconciliation of cash and cash equivalents
to the balance sheet:**

Equity in pooled cash and investments held in City Treasury		
Unrestricted	\$	126,653,078
Restricted		<u>21,666,776</u>
	\$	<u><u>148,319,854</u></u>