

SAN JOSE CLEAN ENERGY
(An Enterprise Fund of the City of San José)
Statement of Net Position
December 31, 2023
(unaudited)

ASSETS

Current Assets:

Equity in pooled cash and investments held in City Treasury	\$	207,643,915
Receivables, net of allowance		63,679,625
Prepaid expenses, advances and deposits		11,314,838
Total current assets:		282,638,378

Noncurrent assets:

Net OPEB asset		1,209,995
Right to use asset (net of accumulated amortization):		
Subscription asset		539,960
Total noncurrent assets		1,749,955
Total assets		284,388,333

DEFERRED OUTFLOWS OF RESOURCES

Pension related items		3,069,816
OPEB related items		1,521,474
Total deferred outflows of resources		4,591,290

LIABILITIES

Current liabilities:

Accrued cost of electricity		27,366,276
Accounts payable		739,258
Interest payable		403,908
Subscription liability		185,048
Accrued vacation, sick leave and compensatory time		483,244
User taxes and energy surcharges due to other governments		2,655,996
Advances and deposits payable		750,000
Community investment pass-through		495,000
Unearned revenue		10,818,159
Total current liabilities		43,896,889

Noncurrent liabilities:

Net pension liability		528,564
Subscription liability		391,430
Total noncurrent liabilities		919,994
Total liabilities		44,816,883

DEFERRED INFLOWS OF RESOURCES

Pension related items		174,361
OPEB related items		735,714
Total deferred inflows of resources		910,075

NET POSITION

Invested in capital assets		(36,518)
Restricted for net OPEB asset		1,209,995
Unrestricted		242,079,188
Total net position	\$	243,252,665

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, 2023 to December 31, 2023
(unaudited)

OPERATING REVENUES

Power sales, net	\$	271,571,897
Other revenues		1,199,262
Total operating revenues		<u>272,771,159</u>

OPERATING EXPENSES

Power purchases	198,528,664
Operations and maintenance	4,090,255
General and administrative	8,228,643
Total operating expenses	<u>210,847,562</u>
Operating income	<u>61,923,597</u>

NONOPERATING REVENUES (EXPENSES)

Program grants	283,512
Investment revenue (expense)	2,380,306
Unrealized gain (loss) on investment	4,738,054
Interest expense	(458,296)
Letter of credit fees	(1,165,825)
Commercial paper fees	(155,069)
Intergovernmental payment to City of San Jose	(363,160)
Net nonoperating revenues	<u>5,259,522</u>

Change in net assets	67,183,119
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Net position - beginning	176,069,546
Net position - ending	<u>\$ 243,252,665</u>

SAN JOSE CLEAN ENERGY
(An Enterprise Fund of the City of San José)
Statement of Cash Flows
For the Period July 1, 2023 to December 31, 2023
(Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$	281,856,421
Receipt from customers of tax and surcharge, net of remittances		279,637
Payments to suppliers		(216,180,348)
Payments to employees		(5,473,306)
Other receipts		1,199,262
Net cash provided by operating activities		<u>61,681,666</u>

CASH FLOWS FROM NONCAPITAL AND FINANCING ACTIVITIES

Transfer to other funds		(363,160)
Subsidies from program grants		283,512
Advances and deposits received		(303,136)
Advances and deposits paid		(6,749,685)
Net cash provided by noncapital and related financing activities		<u>(7,132,469)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Repayment of principal on short-term commercial paper		(20,000,000)
Software subscription right to use asset - payment		(104,330)
Interest paid on debt		(480,871)
Letter of credit fees		(772,804)
Commercial paper fees		(182,514)
Net cash provided (used) by capital and related financing activities		<u>(21,540,519)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and dividends received		7,821,387
Net cash provided by investing activities		<u>7,821,387</u>
Net change in cash and cash equivalents		40,830,065
Cash and cash equivalents - beginning		166,813,850
Cash and cash equivalents - ending	\$	<u><u>207,643,915</u></u>

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

Operating income	\$	<u>61,923,597</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Other nonoperating expenses		102,898
Decrease (increase) in:		
Accounts receivable		10,284,524
Prepaid expenses		3,728,191
Increase (decrease) in:		
Accrued cost of electricity		(14,240,716)
Accounts payable		(244,668)

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Accrued salaries, wages, and payroll taxes		(151,797)
User taxes due to other governments		279,637
Total adjustments		<u>(241,931)</u>
Net cash provided in operating activities	\$	<u><u>61,681,666</u></u>

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

Equity in pooled cash and investments held in City Treasury		
Unrestricted	\$	207,643,915
	\$	<u><u>207,643,915</u></u>