



# **VALLEY CLEAN ENERGY**

**VALLEY CLEAN ENERGY ALLIANCE**

**FINANCIAL STATEMENTS**

**(UNAUDITED)**

**FOR THE PERIOD OF SEPTEMBER 1 TO SEPTEMBER 30, 2022**

**PREPARED ON NOVEMBER 5, 2022**

**VALLEY CLEAN ENERGY ALLIANCE**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2022**  
**(UNAUDITED)**

**ASSETS**

Current assets:

Cash and cash equivalents	\$	3,756,413
Accounts receivable, net of allowance		16,679,553
Accrued revenue		4,500,183
Prepaid expenses		49,116
Other current assets and deposits		2,139,195
<b>Total current assets</b>		<u>27,124,460</u>

Restricted assets:

Debt service reserve fund		1,100,000
Power purchase reserve fund		1,026,142
<b>Total restricted assets</b>		<u>2,126,142</u>

<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>29,250,602</u></b>
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**LIABILITIES**

Current liabilities:

Accounts payable	\$	553,618
Accrued payroll		66,825
Interest payable		4,458
Due to member agencies		1,924
Accrued cost of electricity		9,961,211
Other accrued liabilities		58,659
Security deposits - energy supplies		1,980,000
User taxes and energy surcharges		86,674
Limited Term Loan		842,042
Loan - County of Yolo		3,000,000
<b>Total current liabilities</b>		<u>16,555,411</u>

Total noncurrent liabilities		-
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<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b><u>16,555,411</u></b>
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**NET POSITION**

Restricted		
Local Programs Reserve		224,500
Restricted		2,126,142
Unrestricted		10,344,549
<b>TOTAL NET POSITION</b>	<b>\$</b>	<b><u>12,695,191</u></b>

**VALLEY CLEAN ENERGY ALLIANCE**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN NET POSITION**  
**FOR THE PERIOD OF SEPTEMBER 1, 2022 TO SEPTEMBER 30, 2022**  
**(WITH COMPARATIVE YEAR TO DATE INFORMATION)**  
**(UNAUDITED)**

	<b>FOR THE PERIOD ENDING SEPTEMBER 30, 2022</b>	<b>YEAR TO DATE</b>
<b>OPERATING REVENUE</b>		
Electricity sales, net	\$ 9,792,177	\$ 67,201,535
Other revenue	25	1,108,223
<b>TOTAL OPERATING REVENUES</b>	<b>9,792,202</b>	<b>68,309,758</b>
<b>OPERATING EXPENSES</b>		
Cost of electricity	11,737,194	60,762,293
Contract services	269,783	1,991,549
Staff compensation	100,061	934,999
General, administration, and other	19,041	1,648,952
<b>TOTAL OPERATING EXPENSES</b>	<b>12,126,079</b>	<b>65,337,793</b>
<b>TOTAL OPERATING INCOME (LOSS)</b>	<b>(2,333,877)</b>	<b>2,971,965</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest income	5,115	20,364
Interest and related expenses	(2,720)	(31,387)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>2,395</b>	<b>(11,023)</b>
<b>CHANGE IN NET POSITION</b>	<b>(2,331,482)</b>	<b>2,960,942</b>
Net position at beginning of period	15,026,673	9,734,249
Net position at end of period	<b>\$ 12,695,191</b>	<b>\$ 12,695,191</b>

**VALLEY CLEAN ENERGY ALLIANCE**  
**STATEMENTS OF CASH FLOWS**  
FOR THE PERIOD OF SEPTEMBER 1 TO SEPTEMBER 30, 2022  
(WITH YEAR TO DATE INFORMATION)  
(UNAUDITED)

	<u>FOR THE PERIOD ENDING SEPTEMBER 30, 2022</u>	<u>YEAR TO DATE</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from electricity sales	\$ 10,141,031	\$ 55,066,048
Payments received from other revenue sources	25	1,108,223.00
Payments to purchase electricity	(10,053,561)	(56,049,056.00)
Payments for contract services, general, and administration	(306,920)	(3,123,118.00)
Payments for staff compensation	(90,589)	(932,083.00)
<b>Net cash provided (used) by operating activities</b>	<u>(310,014)</u>	<u>(3,929,986)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Principal payments of Debt	(42,945)	2,689,016
Interest and related expenses	(2,720)	(29,715)
<b>Net cash provided (used) by non-capital financing activities</b>	<u>(45,665)</u>	<u>2,659,301</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	5,115	20,364
<b>Net cash provided (used) by investing activities</b>	<u>5,115</u>	<u>20,364</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(350,564)	(1,391,240)
Cash and cash equivalents at beginning of period	6,233,119	6,460,842
<b>Cash and cash equivalents at end of period</b>	<u>\$ 5,882,555</u>	<u>\$ 6,088,653</u>
Cash and cash equivalents included in:		
Cash and cash equivalents	3,756,413	3,756,413
Restricted assets	2,126,142	2,126,142
<b>Cash and cash equivalents at end of period</b>	<u>\$ 5,882,555</u>	<u>\$ 5,882,555</u>

**VALLEY CLEAN ENERGY ALLIANCE**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD OF SEPTEMBER 1 TO SEPTEMBER 30, 2022**  
**(WITH YEAR TO DATE INFORMATION)**  
**(UNAUDITED)**

	<u>FOR THE PERIOD ENDING SEPTEMBER 30, 2022</u>	<u>YEAR TO DATE</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (2,333,877)	\$ 5,305,842
(Increase) decrease in net accounts receivable	(1,064,813.00)	(8,306,895.41)
(Increase) decrease in accrued revenue	1,391,977	(4,123,966.74)
(Increase) decrease in prepaid expenses	(27,235)	863,349.00
(Increase) decrease in other assets and deposits	-	(140,919.00)
Increase (decrease) in accounts payable	60,941	47,935.00
Increase (decrease) in accrued payroll	9,472	(6,556.00)
Increase (decrease) in due to member agencies	(61,031)	(54,990.00)
Increase (decrease) in accrued cost of electricity	1,683,633	2,945,409.00
Increase (decrease) in other accrued liabilities	9,229	(236,320.00)
Increase (decrease) in user taxes and energy surcharges	21,690	(53,778.90)
<b>Net cash provided (used) by operating activities</b>	<u>\$ (310,014)</u>	<u>\$ (3,760,891)</u>

**VALLEY CLEAN ENERGY**  
**2022 YTD ACTUAL VS. BUDGET**  
**FOR THE YEAR TO DATE ENDING 09/30/22**

Description	YTD Actuals	YTD Budget	YTD Variance	% over/-under
Electric Revenue	\$ 67,201,536	\$ 70,686,500	\$ (3,484,964)	-5%
Other Revenues - Programs	\$ 1,108,223	\$ -	\$ 1,108,223	100%
Interest Revenues	\$ 20,689	\$ 13,500	\$ 7,189	53%
<b>Purchased Power</b>	<b>\$ 60,762,293</b>	<b>\$ 52,246,400</b>	<b>\$ (8,509,855)</b>	<b>-16%</b>
Purchased Power Base	\$ 60,756,255	\$ 51,921,900	\$ (8,834,355)	-17%
Purchased Power Contingency 2%	\$ -	\$ 324,500	\$ 324,500	100%
<b>Labor &amp; Benefits</b>	<b>\$ 935,995</b>	<b>\$ 977,100</b>	<b>\$ 41,105</b>	<b>4%</b>
Salaries & Wages/Benefits	\$ 773,272	\$ 817,200	\$ 43,928	5%
Contract Labor (SMUD Staff Aug)	\$ -	\$ 32,100	\$ 32,100	100%
Human Resources & Payroll	\$ 162,723	\$ 127,800	\$ (34,923)	-27%
<b>Office Supplies &amp; Other Expenses</b>	<b>\$ 170,041</b>	<b>\$ 152,200</b>	<b>\$ (17,841)</b>	<b>-12%</b>
Technology Costs	\$ 47,056	\$ 30,700	\$ (16,356)	-53%
Office Supplies	\$ 8,912	\$ 1,800	\$ (7,112)	-395%
Travel	\$ 1,184	\$ 4,500	\$ 3,316	74%
CalCCA Dues	\$ 84,999	\$ 95,400	\$ 10,401	11%
CC Power	\$ 26,891	\$ 18,000	\$ (8,891)	-49%
Memberships	\$ 1,000	\$ 1,800	\$ 800	44%
<b>Contractual Services</b>	<b>\$ 1,865,474</b>	<b>\$ 1,901,900</b>	<b>\$ 36,426</b>	<b>2%</b>
Other Contract Services	\$ -	\$ 18,900	\$ 18,900	100%
Don Dame	\$ 8,098	\$ 7,500	\$ (598)	-8%
SMUD - Credit Support	\$ 412,309	\$ 389,200	\$ (23,109)	-6%
SMUD - Wholesale Energy Services	\$ 448,758	\$ 443,100	\$ (5,658)	-1%
SMUD - Call Center	\$ 600,546	\$ 597,000	\$ (3,546)	-1%
SMUD - Operating Services	\$ 40,223	\$ 45,300	\$ 5,077	11%
Commercial Legal Support	\$ 7,758	\$ -	\$ (7,758)	100%
Legal General Counsel	\$ 71,914	\$ 116,100	\$ 44,186	38%
Regulatory Counsel	\$ 156,445	\$ 149,400	\$ (7,045)	-5%
Joint CCA Regulatory counsel	\$ 21,004	\$ 24,300	\$ 3,296	14%
Legislative - (Lobbyist)	\$ 45,000	\$ 45,300	\$ 300	1%
Accounting Services	\$ 8,052	\$ 19,800	\$ 11,748	59%
Financial Consultant	\$ -	\$ 18,900	\$ 18,900	100%
Audit Fees	\$ 45,368	\$ 27,100	\$ (18,268)	-67%
<b>Marketing</b>	<b>\$ 132,194</b>	<b>\$ 184,500</b>	<b>\$ 52,306</b>	<b>28%</b>
Marketing Collateral	\$ 131,994	\$ 180,000	\$ 48,006	27%
Community Engagement Activities & Sponsorships	\$ 200	\$ 4,500	\$ 4,300	96%
<b>Programs</b>	<b>\$ 1,102,631</b>	<b>\$ 130,500</b>	<b>\$ (972,131)</b>	<b>-745%</b>
Program Costs	\$ 105,014	\$ 130,500	\$ 25,487	20%
Programs - AgFIT	\$ 997,618	\$ -	\$ (997,618)	100%
<b>Rents &amp; Leases</b>	<b>\$ 17,600</b>	<b>\$ 16,200</b>	<b>\$ (1,400)</b>	<b>-9%</b>
Hunt Boyer Mansion	\$ 17,600	\$ 16,200	\$ (1,400)	-9%
<b>Other A&amp;G</b>	<b>\$ 351,834</b>	<b>\$ 272,300</b>	<b>\$ (79,534)</b>	<b>-29%</b>
Development - New Members	\$ -	\$ 18,900	\$ 18,900	100%
Strategic Plan Implementation	\$ 4,685	\$ 31,800	\$ 27,115	85%
PG&E Data Fees	\$ 194,238	\$ 207,000	\$ 12,762	6%
Insurance	\$ 11,039	\$ 6,300	\$ (4,739)	-75%
Banking Fees	\$ 141,872	\$ 8,300	\$ (133,572)	-1609%
<b>Miscellaneous Operating Expenses</b>	<b>\$ 176</b>	<b>\$ 600</b>	<b>\$ 424</b>	<b>71%</b>
<b>Contingency</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>100%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 65,338,091</b>	<b>\$ 55,901,700</b>	<b>\$ (9,436,391)</b>	<b>-17%</b>
Interest on RCB loan	\$ 28,891	\$ 26,400	\$ 2,491	9%
Interest Expense - Bridge Loan	\$ 2,496	\$ 60,300	\$ (57,804)	-96%
<b>NET INCOME</b>	<b>\$ 2,960,970</b>	<b>\$ 14,711,600</b>	<b>\$ (11,750,630)</b>	<b>-80%</b>