



VALLEY CLEAN ENERGY ALLIANCE

FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE PERIOD OF SEPTEMBER 1 TO SEPTEMBER 30, 2023

PREPARED ON NOVEMBER 3, 2023

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023
(UNAUDITED)

ASSETS

Current assets:

Cash and cash equivalents	\$	17,595,420
Accounts receivable, net of allowance		14,886,596
Accrued revenue		(21,664)
Prepaid expenses		94,123
Other current assets and deposits		2,227,703
Total current assets		<u>34,782,178</u>

Restricted assets:

Debt service reserve fund		1,100,000
Power purchase reserve fund		2,588,904
Total restricted assets		<u>3,688,904</u>
TOTAL ASSETS	\$	<u>38,471,082</u>

LIABILITIES

Current liabilities:

Accounts payable	\$	366,866
Accrued payroll		60,116
Interest payable		1,108
Due to member agencies		9,987
Accrued cost of electricity		6,860,212
Other accrued liabilities		2,028,688
Security deposits - energy supplies		1,800,000
User taxes and energy surcharges		52,567
Limited Term Loan		134,550
Total current liabilities		<u>11,314,094</u>

Noncurrent liabilities

Term Loan- RCB		181,284
Total noncurrent liabilities		<u>181,284</u>
TOTAL LIABILITIES	\$	<u>11,495,378</u>

NET POSITION

Net position:

Local Programs Reserve	\$	224,500
Restricted		3,688,904
Unrestricted		23,062,300
TOTAL NET POSITION	\$	<u>26,975,704</u>

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION
FOR THE PERIOD OF SEPTEMBER 1, 2023 TO SEPTEMBER 30, 2023
(WITH COMPARATIVE YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING SEPTEMBER 30, 2023	YEAR TO DATE
OPERATING REVENUE		
Electricity sales, net	\$ 8,892,110	\$ 69,885,077
Other revenue	-	631,219
TOTAL OPERATING REVENUES	8,892,110	70,516,295.78
OPERATING EXPENSES		
Cost of electricity	8,781,428.00	54,074,363.61
Contract services	211,023.00	2,468,338.14
Staff compensation	120,796.00	1,063,927.35
General, administration, and other	161,132.37	1,520,857.61
TOTAL OPERATING EXPENSES	9,274,379.37	59,127,486.71
TOTAL OPERATING INCOME (LOSS)	(382,269.00)	11,388,809.00
NONOPERATING REVENUES (EXPENSES)		
Interest income	35,103	189,791
Interest and related expenses	(1,108)	(13,431)
TOTAL NONOPERATING REVENUES (EXPENSES)	33,995	176,360
CHANGE IN NET POSITION	(348,274)	11,565,170
Net position at beginning of period	27,323,978	15,410,534
Net position at end of period	\$ 26,975,704	\$ 26,975,704

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
FOR THE PERIOD OF SEPTEMBER 1 TO SEPTEMBER 30, 2023
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

	<u>FOR THE PERIOD ENDING SEPTEMBER 30, 2023</u>	<u>YEAR TO DATE</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from electricity sales	\$ 11,336,842.00	\$ 69,539,329.78
Payments received from other revenue sources	-	631,219
Payments to purchase electricity	(6,276,465)	(51,823,177)
Payments for contract services, general, and administration	(474,234)	(3,294,419)
Payments for staff compensation	(115,803)	(1,120,096)
Other cash payments	-	(268,507)
Net cash provided (used) by operating activities	4,470,340	13,932,857
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Principal payments of Debt	(44,558)	(215,134)
Interest and related expenses	(1,107)	(14,566)
Net cash provided (used) by non-capital financing activities	(45,665)	(229,700)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of nondepreciable assets		
Acquisition of capital assets		
Net cash provided (used) by capital and related financing activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	35,103	189,790
Net cash provided (used) by investing activities	35,103	189,790
NET CHANGE IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at beginning of period	4,459,778	13,624,440
Cash and cash equivalents at end of period	16,824,546	70,769,086
Cash and cash equivalents included in:		
Cash and cash equivalents	21,284,324	84,393,526
Restricted assets	17,595,420	17,595,420
Cash and cash equivalents at end of period	\$ 21,284,324.00	\$ 21,284,324.00

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
FOR THE PERIOD OF SEPTEMBER 1 TO SEPTEMBER 30, 2023
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

	<u>FOR THE PERIOD ENDING SEPTEMBER 30, 2023</u>	<u>YEAR TO DATE</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (382,269)	\$ 11,388,809
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense		
(Increase) decrease in net accounts receivable	163,436	(3,801,509)
(Increase) decrease in accrued revenue	2,265,479	3,452,061
(Increase) decrease in prepaid expenses	14,154	(94,123)
(Increase) decrease in other assets and deposits	-	(268,507)
Increase (decrease) in accounts payable	16,466	(32,667)
Increase (decrease) in accrued payroll	4,993	(56,169)
Increase (decrease) in due to member agencies	650	(196,457)
Increase (decrease) in accrued cost of electricity	2,504,963	2,251,187
Increase (decrease) in other accrued liabilities	(133,349)	1,018,024
Increase (decrease) in user taxes and energy surcharges	15,817	3,701
Net cash provided (used) by operating activities	\$ 4,470,339.63	\$ 13,664,350.07

VALLEY CLEAN ENERGY
2023 YTD ACTUAL VS. BUDGET
FOR THE YEAR TO DATE ENDING 09/30/23

Description	YTD Actuals	YTD Budget	YTD Variance	% over/-under
Electric Revenue	\$ 74,203,934	\$ 82,698,000	\$ (8,494,066)	-10%
Other Revenues - Programs	\$ 631,219	\$ 495,000	\$ 136,219	28%
Interest Revenues	\$ 189,790	\$ 31,500	\$ 158,290	503%
Purchased Power	\$ 53,998,578	\$ 56,031,000	\$ 2,032,422	4%
Purchased Power Base	\$ 53,998,578	\$ 53,362,000	\$ (636,578)	-1%
Purchased Power Contingency 2%	\$ -	\$ 2,669,000	\$ 2,669,000	100%
Labor & Benefits	\$ 1,065,643	\$ 1,081,800	\$ 16,157	1%
Salaries & Wages/Benefits	\$ 862,082	\$ 900,000	\$ 37,918	4%
Contract Labor (SMUD Staff Aug)	\$ -	\$ 22,500	\$ 22,500	100%
Human Resources & Payroll	\$ 203,561	\$ 159,300	\$ (44,261)	-28%
Office Supplies & Other Expenses	\$ 197,924	\$ 159,600	\$ (38,324)	-24%
Technology Costs	\$ 34,278	\$ 32,700	\$ (1,578)	-5%
Office Supplies	\$ 8,674	\$ 1,800	\$ (6,874)	-382%
Travel	\$ 15,621	\$ 4,500	\$ (11,121)	-247%
CalCCA Dues	\$ 96,768	\$ 99,900	\$ 3,132	3%
CC Power	\$ 41,029	\$ 18,900	\$ (22,129)	-117%
Memberships	\$ 1,555	\$ 1,800	\$ 245	14%
Contractual Services	\$ 2,295,629	\$ 2,164,700	\$ (130,929)	-6%
Other Contract Services	\$ -	\$ 19,800	\$ 19,800	100%
Don Dame	\$ 3,276	\$ 8,100	\$ 4,824	60%
SMUD - Credit Support	\$ 153,073	\$ 254,400	\$ 101,327	40%
SMUD - Wholesale Energy Services	\$ 1,078,240	\$ 748,900	\$ (329,340)	-44%
SMUD - Call Center	\$ 644,138	\$ 626,800	\$ (17,338)	-3%
SMUD - Operating Services	\$ 138,329	\$ 48,000	\$ (90,329)	-188%
Commercial Legal Support	\$ 26,876	\$ 22,500	\$ (4,376)	-19%
Legal General Counsel	\$ 17,080	\$ 122,400	\$ 105,320	86%
Regulatory Counsel	\$ 109,896	\$ 157,500	\$ 47,604	30%
Joint CCA Regulatory counsel	\$ 25,719	\$ 25,200	\$ (519)	-2%
Legislative - (Lobbyist)	\$ 49,500	\$ 49,500	\$ -	0%
Accounting Services	\$ 10,542	\$ 21,600	\$ 11,058	51%
Financial Consultant	\$ -	\$ 31,500	\$ 31,500	100%
Audit Fees	\$ 38,960	\$ 28,500	\$ (10,460)	-37%
Marketing	\$ 240,071	\$ 198,000	\$ (42,071)	-21%
Marketing Collateral	\$ 209,289	\$ 189,000	\$ (20,289)	-11%
Community Engagement Activities & Sponsorships	\$ 30,782	\$ 9,000	\$ (21,782)	-242%
Program Costs	\$ 890,806	\$ 625,500	\$ (265,306)	-42%
Program Costs	\$ 124,301	\$ 130,500	\$ 6,199	5%
Programs - EV	\$ 115,105	\$ -	\$ (115,105)	100%
Programs - AgFIT	\$ 642,428	\$ 495,000	\$ (147,428)	-30%
Programs - Heat Pump	\$ 8,972	\$ -	\$ (8,972)	100%
Rents & Leases	\$ 21,426	\$ 19,800	\$ (1,626)	-8%
Hunt Boyer Mansion	\$ 21,426	\$ 19,800	\$ (1,626)	-8%
Other A&G	\$ 342,129	\$ 415,250	\$ 73,121	18%
Development - New Members	\$ -	\$ 18,900	\$ 18,900	100%
Strategic Plan Implementation	\$ 34,053	\$ 108,000	\$ 73,947	68%
PG&E Data Fees	\$ 198,748	\$ 207,000	\$ 8,252	4%
Insurance	\$ 26,460	\$ 8,550	\$ (17,910)	-209%
Banking Fees	\$ 82,868	\$ 72,800	\$ (10,068)	-14%
Miscellaneous Operating Expenses	\$ 2,311	\$ 600	\$ (1,711)	-285%
Contingency	\$ -	\$ 20,000	\$ 20,000	100%
TOTAL OPERATING EXPENSES	\$ 59,054,517	\$ 60,716,250	\$ 1,661,733	3%
Interest on RCB loan	\$ 13,431	\$ 14,800	\$ (1,369)	-9%
Interest Expense - Bridge Loan	\$ -	\$ 40,000	\$ (40,000)	-100%
NET INCOME	\$ 15,956,995	\$ 22,453,450	\$ (6,496,455)	-29%