

## VALLEY CLEAN ENERGY ALLIANCE

### Staff Report – Item 6A

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**TO:** Board of Directors

**FROM:** Mitch Sears, Executive Director  
Edward Burnham, Finance and Operations Director

**SUBJECT:** Financial Update – June 30, 2022 (unaudited) financial statements (with comparative year to date information) and Actual vs. Budget year to date ending June 30, 2022

**DATE:** September 8, 2022

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#### **RECOMMENDATION:**

Accept the following Financial Statements (unaudited) for the period of June 1, 2022 to June 30, 2022 (with comparative year to date information) and Actual vs. Budget year to date ending June 30, 2022.

#### **BACKGROUND & DISCUSSION:**

The attached financial statements are prepared in a form to satisfy the debt covenants with River City Bank pursuant to the Line of Credit and are required to be prepared monthly.

The Financial Statements include the following reports:

- Statement of Net Position
- Statement of Revenues, Expenditures and Changes in Net Position
- Statement of Cash Flows

In addition, Staff is reporting the Actual vs. Budget variances year to date ending June 30, 2022.

#### Financial Statements for the period June 1, 2022 – June 30, 2022

In the Statement of Net Position, VCEA, as of June 30, 2021, has a total of \$5,129,922 in its checking, money market and lockbox accounts, \$1,100,000 restricted assets for the Debt Service Reserve account, \$1,998,276 restricted assets related to supplier deposits, and \$1,011 restricted assets for the Power Purchases Reserve account. VCE has incurred obligations from Member agencies and owes as of June 30, 2021, \$84,693. VCE member obligations are incurred monthly due to staffing, accounting, and legal services.

The term loan with River City Bank includes a current portion of \$970,579. The line of credit with the County of Yolo has an outstanding balance of \$3,000,000. On June 30, 2022, VCE's net position is \$10,759,456.

In the Statement of Revenues, Expenditures, and Changes in Net Position, VCEA recorded \$ 9,666,691 of revenue (net of allowance for doubtful accounts), of which \$9,268,140 was billed in June, and \$4,554,979 represent estimated unbilled revenue. The cost of the electricity for the June revenue totaled \$7,363,824. For June, VCEA's gross margin was approximate 24% and net income totaled \$1,902,966. The year-to-date change in net position was \$747,835.

In the Statement of Cash Flows, VCEA cash flows from operations were (\$221,060) due to June cash receipts of revenues being less than the monthly cash operating expenses.

Actual vs. Budget Variances for the year to date ending June 30, 2022

Below are the financial statement line items with variances >\$50,000 and 5%

- Electric Revenue – (\$1,973,537) and -6% – Unfavorable variance due to warmer weather than forecast during the winter months and heat storms in June.
- Other Revenues - Programs – \$729,600 and 100% – favorable variance related to CPUC's issued decision 21-12-015 funding for VCE's proposed "AgFIT" dynamic rate pilot offset by expenditures below. Please see September 8, 2022 companion Board Item 12 for 2022 Budget amendment request to include AgFIT revenues and expenditures for net zero 2022 budget impact.
- Purchased Power – (\$458,983) and -2% – Unfavorable variance due to the weather that was warmer than forecast during the winter months, heat storms in June, and gas prices driving short-term power market increases.
- Programs – AgFIT – (730,866) and 100% unfavorable variance related to CPUC's issued decision 21-12-015 funding for VCE's proposed "AgFIT" dynamic rate pilot offset by revenues above. Please see September 8, 2022 companion Board Item 12 for 2022 Budget amendment request to include AgFIT revenues and expenditures for net zero 2022 budget impact.

**Attachments:**

- 1) Financial Statements (Unaudited) June 1, 2022 to June 30, 2022 (with comparative year to date information.)
- 2) Actual vs. Budget for the year to date ending June 30, 2022



# VALLEY CLEAN ENERGY

**VALLEY CLEAN ENERGY ALLIANCE**

FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE PERIOD OF JUNE 1 TO JUNE 30, 2022

PREPARED ON AUGUST 2, 2022

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

**ASSETS**

Current assets:

Cash and cash equivalents	\$	5,129,922
Accounts receivable, net of allowance		11,323,590
Accrued revenue		4,554,980
Prepaid expenses		15,038
Other current assets and deposits		2,139,195
<b>Total current assets</b>		<u>23,162,725</u>

Restricted assets:

Debt service reserve fund		1,100,000
Power purchase reserve fund		1,011
<b>Total restricted assets</b>		<u>1,101,011</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<u><u>24,263,736</u></u>

**LIABILITIES**

Current liabilities:

Accounts payable	\$	431,887
Accrued payroll		58,207
Interest payable		2,128
Due to member agencies		84,693
Accrued cost of electricity		6,822,119
Other accrued liabilities		30,696
Security deposits - energy supplies		1,980,000
User taxes and energy surcharges		123,971
Limited Term Loan		970,579
Loan - County of Yolo		3,000,000
<b>Total current liabilities</b>		<u>13,504,280</u>
Total noncurrent liabilities		-
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<u><u>13,504,280</u></u>

**NET POSITION**

Restricted		
Local Programs Reserve		224,500
Restricted		1,101,011
Unrestricted		9,433,945
<b>TOTAL NET POSITION</b>	<b>\$</b>	<u><u>10,759,456</u></u>

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

	<b>FOR THE PERIOD ENDING JUNE 30, 2022</b>	<b>YEAR TO DATE</b>
<b>OPERATING REVENUE</b>		
Electricity sales, net	\$ 9,666,691	\$ 32,141,862
Other revenue	729,600	\$ 729,600
<b>TOTAL OPERATING REVENUES</b>	<b>10,396,291</b>	<b>32,871,462</b>
<b>OPERATING EXPENSES</b>		
Cost of electricity	7,363,824	29,684,921
Contract services	246,543	1,258,302
Staff compensation	129,401	648,549
General, administration, and other	752,713	1,248,783
<b>TOTAL OPERATING EXPENSES</b>	<b>8,492,481</b>	<b>32,110,955</b>
<b>TOTAL OPERATING INCOME (LOSS)</b>	<b>1,903,810</b>	<b>760,507</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest income	2,043	7,926
Interest and related expenses	(2,887)	(20,598)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(844)</b>	<b>(12,672)</b>
<b>CHANGE IN NET POSITION</b>	<b>1,902,966</b>	<b>747,835</b>
Net position at beginning of period	8,856,490	10,011,621
Net position at end of period	<b>\$ 10,759,456</b>	<b>\$ 10,759,456</b>

**VALLEY CLEAN ENERGY ALLIANCE**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD OF JUNE 1 TO JUNE 31, 2022**  
**(WITH YEAR TO DATE INFORMATION)**  
**(UNAUDITED)**

	<u>FOR THE PERIOD ENDING JUNE 30, 2022</u>	<u>YEAR TO DATE</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from electricity sales	\$ 6,078,156	\$ 26,074,438
Payments received from other revenue sources	729,600	729,600
Payments to purchase electricity	(5,828,390)	(28,110,776)
Payments for contract services, general, and administration	(933,532)	(2,022,549)
Payments for staff compensation	(125,975)	(654,251)
<b>Net cash provided (used) by operating activities</b>	<u>(221,060)</u>	<u>(3,983,538)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Principal payments of Debt	(42,550)	2,817,553
Interest and related expenses	(3,115)	(18,141)
<b>Net cash provided (used) by non-capital financing activities</b>	<u>(45,665)</u>	<u>2,799,412</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	2,043	7,926
<b>Net cash provided (used) by investing activities</b>	<u>2,043</u>	<u>7,926</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(264,682)	(1,320,234)
Cash and cash equivalents at beginning of period	6,495,615	6,397,115
<b>Cash and cash equivalents at end of period</b>	<u>\$ 6,230,933</u>	<u>\$ 6,088,653</u>
Cash and cash equivalents included in:		
Cash and cash equivalents	5,129,922	5,129,922
Restricted assets	1,101,011	1,101,021
<b>Cash and cash equivalents at end of period</b>	<u>\$ 6,230,933</u>	<u>\$ 6,230,943</u>

**VALLEY CLEAN ENERGY ALLIANCE**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD OF JUNE 1 TO JUNE 31, 2022**  
**(WITH YEAR TO DATE INFORMATION)**  
**(UNAUDITED)**

	<u>FOR THE PERIOD ENDING JUNE 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)	\$ 1,903,810	\$ 760,507
(Increase) decrease in net accounts receivable	(2,951,030.00)	(4,015,745.41)
(Increase) decrease in accrued revenue	(662,496)	(2,786,786.74)
(Increase) decrease in prepaid expenses	3,762	870,192.00
(Increase) decrease in other assets and deposits	(140,919)	(140,919.00)
Increase (decrease) in accounts payable	26,420	(12,855.00)
Increase (decrease) in accrued payroll	3,426	(5,702.00)
Increase (decrease) in due to member agencies	20,963	(33,252.00)
Increase (decrease) in accrued cost of electricity	1,535,434	1,489,950.00
Increase (decrease) in other accrued liabilities	14,579	(255,054.00)
Increase (decrease) in user taxes and energy surcharges	24,991	5,208.10
<b>Net cash provided (used) by operating activities</b>	<u>\$ (221,060)</u>	<u>\$ (4,124,457)</u>

**VALLEY CLEAN ENERGY**  
**2022 YTD ACTUAL VS. BUDGET**  
**FOR THE YEAR TO DATE ENDING 06/30/22**

Description	YTD Actuals	YTD Budget	YTD Variance	% over/-under
Electric Revenue	\$ 32,871,463	\$ 34,845,000	\$ (1,973,537)	-6%
Other Revenues - Programs	\$ 729,600	\$ -	\$ 729,600	100%
Interest Revenues	\$ 8,251	\$ 9,000	\$ (749)	-8%
<b>Purchased Power</b>	<b>\$ 29,684,921</b>	<b>\$ 29,219,900</b>	<b>\$ 458,983</b>	<b>2%</b>
Purchased Power Base	\$ 29,678,883	\$ 28,658,700	\$ 1,020,183	4%
Purchased Power Contingency 2%	\$ -	\$ 561,200	\$ (561,200)	-100%
<b>Labor &amp; Benefits</b>	<b>\$ 649,545</b>	<b>\$ 653,400</b>	<b>\$ (3,855)</b>	<b>-1%</b>
Salaries & Wages/Benefits	\$ 537,026	\$ 544,800	\$ (7,774)	-1%
Contract Labor (SMUD Staff Aug)	\$ -	\$ 23,400	\$ (23,400)	-100%
Human Resources & Payroll	\$ 112,519	\$ 85,200	\$ 27,319	32%
<b>Office Supplies &amp; Other Expenses</b>	<b>\$ 123,965</b>	<b>\$ 103,000</b>	<b>\$ 20,965</b>	<b>20%</b>
Technology Costs	\$ 34,264	\$ 22,000	\$ 12,264	56%
Office Supplies	\$ 5,934	\$ 1,200	\$ 4,734	395%
Travel	\$ -	\$ 3,000	\$ (3,000)	-100%
CalCCA Dues	\$ 55,875	\$ 63,600	\$ (7,725)	-12%
CC Power	\$ 26,891	\$ 12,000	\$ 14,891	124%
Memberships	\$ 1,000	\$ 1,200	\$ (200)	-17%
<b>Contractual Services</b>	<b>\$ 1,175,098</b>	<b>\$ 1,239,600</b>	<b>\$ (64,502)</b>	<b>-5%</b>
Other Contract Services	\$ -	\$ 12,600	\$ (12,600)	-100%
Don Dame	\$ 4,666	\$ 4,800	\$ (134)	-3%
SMUD - Credit Support	\$ 238,274	\$ 242,300	\$ (4,026)	-2%
SMUD - Wholesale Energy Services	\$ 295,457	\$ 292,800	\$ 2,657	1%
SMUD - Call Center	\$ 393,200	\$ 395,500	\$ (2,300)	-1%
SMUD - Operating Services	\$ 22,664	\$ 30,000	\$ (7,336)	-24%
Commercial Legal Support	\$ -	\$ -	\$ -	100%
Legal General Counsel	\$ 56,561	\$ 77,400	\$ (20,839)	-27%
Regulatory Counsel	\$ 82,212	\$ 99,600	\$ (17,388)	-17%
Joint CCA Regulatory counsel	\$ 192	\$ 16,200	\$ (16,008)	-99%
Legislative - (Lobbyist)	\$ 30,000	\$ 30,000	\$ -	0%
Accounting Services	\$ 6,505	\$ 13,200	\$ (6,695)	-51%
Financial Consultant	\$ -	\$ 12,600	\$ (12,600)	-100%
Audit Fees	\$ 45,368	\$ 12,600	\$ 32,768	260%
<b>Marketing</b>	<b>\$ 94,008</b>	<b>\$ 123,000</b>	<b>\$ (28,992)</b>	<b>-24%</b>
Marketing Collateral	\$ 94,008	\$ 120,000	\$ (25,992)	-22%
Community Engagement Activities & Sponsorships	\$ -	\$ 3,000	\$ (3,000)	-100%
<b>Programs</b>	<b>\$ 824,239</b>	<b>\$ 87,000</b>	<b>\$ 6,373</b>	<b>7%</b>
Program Costs	\$ 93,373	\$ 87,000	\$ 6,373	7%
Programs - AgFIT	\$ 730,866	\$ -	\$ 730,866	100%
<b>Rents &amp; Leases</b>	<b>\$ 12,800</b>	<b>\$ 10,800</b>	<b>\$ 2,000</b>	<b>19%</b>
Hunt Boyer Mansion	\$ 12,800	\$ 10,800	\$ 2,000	19%
<b>Other A&amp;G</b>	<b>\$ 276,126</b>	<b>\$ 175,400</b>	<b>\$ 100,726</b>	<b>57%</b>
Development - New Members	\$ -	\$ 12,600	\$ (12,600)	-100%
Strategic Plan Implementation	\$ (90)	\$ 12,600	\$ (12,690)	-101%
PG&E Data Fees	\$ 126,784	\$ 138,000	\$ (11,216)	-8%
Insurance	\$ 7,560	\$ 4,200	\$ 3,360	80%
Banking Fees	\$ 141,872	\$ 8,000	\$ 133,872	1673%
<b>Miscellaneous Operating Expenses</b>	<b>\$ 176</b>	<b>\$ 600</b>	<b>\$ 600</b>	<b>100%</b>
<b>Contingency</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>100%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 32,840,878</b>	<b>\$ 31,632,700</b>	<b>\$ 512,298</b>	<b>2%</b>
Interest on RCB loan	\$ 20,598	\$ 18,400	\$ 2,198	12%
Interest Expense - Bridge Loan	\$ -	\$ 31,200	\$ (31,200)	-100%
<b>NET INCOME</b>	<b>\$ 18,238</b>	<b>\$ 3,171,700</b>	<b>\$ (2,457,582)</b>	<b>-77%</b>



## VALLEY CLEAN ENERGY ALLIANCE

### Staff Report – Item 6B

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**TO:** Board of Directors

**FROM:** Mitch Sears, Executive Director  
Edward Burnham, Finance and Operations Director

**SUBJECT:** Financial Update – July 31, 2022 (unaudited) financial statements (with comparative year to date information) and Actual vs. Budget year to date ending July 31, 2022

**DATE:** September 8, 2022

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**RECOMMENDATION:**

Accept the following Financial Statements (unaudited) for the period of July 1, 2022 to July 31, 2022 (with comparative year to date information) and Actual vs. Budget year to date ending July 31, 2022.

**BACKGROUND & DISCUSSION:**

The attached financial statements are prepared in a form to satisfy the debt covenants with River City Bank pursuant to the Line of Credit and are required to be prepared monthly.

The Financial Statements include the following reports:

- Statement of Net Position
- Statement of Revenues, Expenditures and Changes in Net Position
- Statement of Cash Flows

In addition, Staff is reporting the Actual vs. Budget variances year to date ending July 31, 2022.

Financial Statements for the period July 1, 2022 – July 31, 2022

In the Statement of Net Position, VCEA, as of July 31, 2021, has a total of \$5,135,132 in its checking, money market and lockbox accounts, \$1,100,000 restricted assets for the Debt Service Reserve account, \$1,998,276 restricted assets related to supplier deposits, and \$503,082 restricted assets for the Power Purchases Reserve account. VCE has incurred obligations from Member agencies and owes as of July 30, 2021, \$62,026. VCE member obligations are incurred monthly due to staffing, accounting, and legal services.

The term loan with River City Bank includes a current portion of \$927,800. The line of credit with the County of Yolo has an outstanding balance of \$3,000,000. On July 31, 2022, VCE's net position is \$13,959,047.

In the Statement of Revenues, Expenditures, and Changes in Net Position, VCEA recorded \$13,028,262 of revenue (net of allowance for doubtful accounts), of which \$11,363,685 was billed in July, and \$6,375,738 represent estimated unbilled revenue. The cost of electricity for the July revenue amount totaled \$9,734,827. For July, VCEA's gross margin was approximate 25% and net income totaled \$3,199,591. The year-to-date change in net position was \$3,947,426.

In the Statement of Cash Flows, VCEA cash flows from operations were \$550,025 due to July cash receipts of revenues being more than the monthly cash operating expenses.

Actual vs. Budget Variances for the year to date ending July 31, 2022

Below are the financial statement line items with variances >\$50,000 and 5%

- Electric Revenue – (\$2,099,575) and -4% – Unfavorable variance due to weather that was warmer than forecast during the winter months and heat storms in June & July.
- Other Revenues - Programs – \$999,846 and 100% – favorable variance related to CPUC's issued decision 21-12-015 funding for VCE's proposed "AgFIT" dynamic rate pilot offset by expenditures below. Please see September 8, 2022, companion Board Item 12 for 2022 Budget amendment request to include AgFIT revenues and expenditures for net zero 2022 budget impact.
- Purchased Power – (\$2,061,110) and -6% – Unfavorable variance due to warmer weather than forecast during the winter months, heat storms in June and July, and gas prices driving short-term power market increases.
- Programs – AgFIT – (730,866) and 100% unfavorable variance related to CPUC's issued decision 21-12-015 funding for VCE's proposed "AgFIT" dynamic rate pilot offset by revenues above. Please see September 8, 2022 companion Board Item 12 for 2022 Budget amendment request to include AgFIT revenues and expenditures for net zero 2022 budget impact.

**Attachments:**

- 3) Financial Statements (Unaudited) July 1, 2022 to July 31, 2022 (with comparative year to date information.)
- 4) Actual vs. Budget for the year to date ending July 31, 2022



# **VALLEY CLEAN ENERGY**

**VALLEY CLEAN ENERGY ALLIANCE**

**FINANCIAL STATEMENTS**

**(UNAUDITED)**

**FOR THE PERIOD OF JULY 1 TO JULY 31, 2022**

**PREPARED ON September 2, 2022**

**VALLEY CLEAN ENERGY ALLIANCE**  
**STATEMENT OF NET POSITION**  
July 31, 2022  
(UNAUDITED)

**ASSETS**

Current assets:

Cash and cash equivalents	\$	5,135,132
Accounts receivable, net of allowance		14,097,206
Accrued revenue		6,375,738
Prepaid expenses		32,799
Other current assets and deposits		2,139,195
Total current assets		27,780,070

Restricted assets:

Debt service reserve fund		1,100,000
Power purchase reserve fund		503,082
Total restricted assets		1,603,082
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>29,383,152</b>

**LIABILITIES**

Current liabilities:

Accounts payable	\$	428,445
Accrued payroll		55,213
Interest payable		4,589
Due to member agencies		62,026
Accrued cost of electricity		8,730,424
Other accrued liabilities		39,319
Security deposits - energy supplies		1,980,000
User taxes and energy surcharges		149,912
Limited Term Loan		927,800
Loan - County of Yolo		3,000,000
Total current liabilities		15,377,728
Total noncurrent liabilities		-
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b>15,377,728</b>

**NET POSITION**

Restricted		
Local Programs Reserve		224,500
Restricted		1,603,082
Unrestricted		12,177,842
<b>TOTAL NET POSITION</b>	<b>\$</b>	<b>14,005,424</b>

**VALLEY CLEAN ENERGY ALLIANCE**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN NET POSITION**  
**FOR THE PERIOD OF JULY 1, 2022 TO JULY 31, 2022**  
**(WITH COMPARATIVE YEAR TO DATE INFORMATION)**  
**(UNAUDITED)**

	<b>FOR THE PERIOD</b>	
	<b>ENDING</b>	<b>YEAR TO DATE</b>
	<b>JULY 31, 2022</b>	<b></b>
<b>OPERATING REVENUE</b>		
Electricity sales, net	\$ 13,028,262	\$ 45,899,724
Other revenue	270,246	999,846.00
<b>TOTAL OPERATING REVENUES</b>	<b>13,298,508</b>	<b>46,899,570</b>
<b>OPERATING EXPENSES</b>		
Cost of electricity	9,734,827	39,419,748
Contract services	203,161	1,461,463
Staff compensation	81,805	730,354
General, administration, and other	30,321	1,279,104
<b>TOTAL OPERATING EXPENSES</b>	<b>10,050,114</b>	<b>42,890,669</b>
<b>TOTAL OPERATING INCOME (LOSS)</b>	<b>3,248,394</b>	<b>4,008,901</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest income	2,922	10,848
Interest and related expenses	(5,348)	(25,946)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(2,426)</b>	<b>(15,098)</b>
<b>CHANGE IN NET POSITION</b>	<b>3,245,968</b>	<b>3,993,803</b>
Net position at beginning of period	10,759,456	10,011,621
Net position at end of period	<b>\$ 14,005,424</b>	<b>\$ 14,005,424</b>

**VALLEY CLEAN ENERGY ALLIANCE**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD OF JULY 1 TO JULY 31, 2022**  
**(WITH YEAR TO DATE INFORMATION)**  
**(UNAUDITED)**

	<u>FOR THE PERIOD ENDING JULY 31, 2022</u>	<u>YEAR TO DATE</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from electricity sales	\$ 8,459,829	\$ 34,534,267
Payments received from other revenue sources	270,246	999,846.00
Payments to purchase electricity	(7,826,522)	(35,937,298.00)
Payments for contract services, general, and administration	(268,729)	(2,291,278.00)
Payments for staff compensation	(84,799)	(739,050.00)
<b>Net cash provided (used) by operating activities</b>	<u>550,025</u>	<u>(3,433,513)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Principal payments of Debt	(42,779)	2,774,774
Interest and related expenses	(2,887)	(24,143)
<b>Net cash provided (used) by non-capital financing activities</b>	<u>(45,666)</u>	<u>2,750,631</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	2,922	10,848
<b>Net cash provided (used) by investing activities</b>	<u>2,922</u>	<u>10,848</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	507,281	(812,953)
Cash and cash equivalents at beginning of period	6,230,933	6,230,933
<b>Cash and cash equivalents at end of period</b>	<u>\$ 6,738,214</u>	<u>\$ 6,088,653</u>
Cash and cash equivalents included in:		
Cash and cash equivalents	5,135,132	5,135,132
Restricted assets	1,603,082	1,603,082
<b>Cash and cash equivalents at end of period</b>	<u>\$ 6,738,214</u>	<u>\$ 6,738,214</u>

**VALLEY CLEAN ENERGY ALLIANCE**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD OF JULY 1 TO JULY 31, 2022**  
**(WITH YEAR TO DATE INFORMATION)**  
**(UNAUDITED)**

	<u>FOR THE PERIOD ENDING JULY 31, 2022</u>	<u>YEAR TO DATE</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ 3,248,394	\$ 4,008,901
(Increase) decrease in net accounts receivable	(2,773,616.00)	(6,789,361.41)
(Increase) decrease in accrued revenue	(1,820,758)	(4,607,544.74)
(Increase) decrease in prepaid expenses	(17,761)	852,431.00
(Increase) decrease in other assets and deposits	-	(140,919.00)
Increase (decrease) in accounts payable	(3,442)	(16,297.00)
Increase (decrease) in accrued payroll	(2,994)	(8,696.00)
Increase (decrease) in due to member agencies	(22,667)	(55,919.00)
Increase (decrease) in accrued cost of electricity	1,908,305	3,398,255.00
Increase (decrease) in other accrued liabilities	8,623	(246,431.00)
Increase (decrease) in user taxes and energy surcharges	25,941	31,149.10
<b>Net cash provided (used) by operating activities</b>	<u>\$ 550,025</u>	<u>\$ (3,574,432)</u>

**VALLEY CLEAN ENERGY**  
**2022 YTD ACTUAL VS. BUDGET**  
**FOR THE YEAR TO DATE ENDING 07/31/22**

Description	YTD Actuals	YTD Budget	YTD Variance	% over/-under
Electric Revenue	\$ 45,899,725	\$ 47,999,300	\$ (2,099,575)	-4%
Other Revenues - Programs	\$ 999,846	\$ -	\$ 999,846	100%
Interest Revenues	\$ 11,173	\$ 10,500	\$ 673	6%
<b>Purchased Power</b>	<b>\$ 39,419,748</b>	<b>\$ 37,352,600</b>	<b>\$ 2,061,110</b>	<b>6%</b>
Purchased Power Base	\$ 39,413,710	\$ 37,135,700	\$ 2,278,010	6%
Purchased Power Contingency 2%	\$ -	\$ 216,900	\$ (216,900)	-100%
<b>Labor &amp; Benefits</b>	<b>\$ 731,350</b>	<b>\$ 761,300</b>	<b>\$ (29,950)</b>	<b>-4%</b>
Salaries & Wages/Benefits	\$ 597,692	\$ 635,600	\$ (37,908)	-6%
Contract Labor (SMUD Staff Aug)	\$ -	\$ 26,300	\$ (26,300)	-100%
Human Resources & Payroll	\$ 133,658	\$ 99,400	\$ 34,258	34%
<b>Office Supplies &amp; Other Expenses</b>	<b>\$ 136,415</b>	<b>\$ 119,400</b>	<b>\$ 17,015</b>	<b>14%</b>
Technology Costs	\$ 36,514	\$ 24,900	\$ 11,614	47%
Office Supplies	\$ 6,426	\$ 1,400	\$ 5,026	359%
Travel	\$ -	\$ 3,500	\$ (3,500)	-100%
CalCCA Dues	\$ 65,583	\$ 74,200	\$ (8,617)	-12%
CC Power	\$ 26,891	\$ 14,000	\$ 12,891	92%
Memberships	\$ 1,000	\$ 1,400	\$ (400)	-29%
<b>Contractual Services</b>	<b>\$ 1,393,738</b>	<b>\$ 1,458,800</b>	<b>\$ (65,062)</b>	<b>-4%</b>
Other Contract Services	\$ -	\$ 14,700	\$ (14,700)	-100%
Don Dame	\$ 5,866	\$ 5,700	\$ 166	3%
SMUD - Credit Support	\$ 297,072	\$ 280,100	\$ 16,972	6%
SMUD - Wholesale Energy Services	\$ 345,534	\$ 342,900	\$ 2,634	1%
SMUD - Call Center	\$ 462,343	\$ 462,600	\$ (257)	0%
SMUD - Operating Services	\$ 29,210	\$ 35,100	\$ (5,890)	-17%
Commercial Legal Support	\$ -	\$ -	\$ -	100%
Legal General Counsel	\$ 66,004	\$ 90,300	\$ (24,296)	-27%
Regulatory Counsel	\$ 97,174	\$ 116,200	\$ (19,026)	-16%
Joint CCA Regulatory counsel	\$ 1,651	\$ 18,900	\$ (17,249)	-91%
Legislative - (Lobbyist)	\$ 35,000	\$ 35,100	\$ (100)	0%
Accounting Services	\$ 8,517	\$ 15,400	\$ (6,883)	-45%
Financial Consultant	\$ -	\$ 14,700	\$ (14,700)	-100%
Audit Fees	\$ 45,368	\$ 27,100	\$ 18,268	67%
<b>Marketing</b>	<b>\$ 112,624</b>	<b>\$ 143,500</b>	<b>\$ (30,876)</b>	<b>-22%</b>
Marketing Collateral	\$ 112,624	\$ 140,000	\$ (27,376)	-20%
Community Engagement Activities & Sponsorships	\$ -	\$ 3,500	\$ (3,500)	-100%
<b>Programs</b>	<b>\$ 828,211</b>	<b>\$ 101,500</b>	<b>\$ 726,711</b>	<b>716%</b>
Program Costs	\$ 97,345	\$ 101,500	\$ (4,156)	-4%
Programs - AgFIT	\$ 730,866	\$ -	\$ 730,866	100%
<b>Rents &amp; Leases</b>	<b>\$ 14,400</b>	<b>\$ 12,600</b>	<b>\$ 1,800</b>	<b>14%</b>
Hunt Boyer Mansion	\$ 14,400	\$ 12,600	\$ 1,800	14%
<b>Other A&amp;G</b>	<b>\$ 300,707</b>	<b>\$ 207,700</b>	<b>\$ 93,007</b>	<b>45%</b>
Development - New Members	\$ -	\$ 14,700	\$ (14,700)	-100%
Strategic Plan Implementation	\$ 1,324	\$ 19,000	\$ (17,676)	-93%
PG&E Data Fees	\$ 148,841	\$ 161,000	\$ (12,159)	-8%
Insurance	\$ 8,670	\$ 4,900	\$ 3,770	77%
Banking Fees	\$ 141,872	\$ 8,100	\$ 133,772	1652%
<b>Miscellaneous Operating Expenses</b>	<b>\$ 176</b>	<b>\$ 600</b>	<b>\$ 600</b>	<b>100%</b>
<b>Contingency</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>100%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 42,937,369</b>	<b>\$ 40,178,000</b>	<b>\$ 2,794,355</b>	<b>7%</b>
Interest on RCB loan	\$ 23,450	\$ 21,200	\$ 2,250	11%
Interest Expense - Bridge Loan	\$ 2,496	\$ 41,600	\$ (39,104)	-94%
<b>NET INCOME</b>	<b>\$ 2,947,583</b>	<b>\$ 7,769,000</b>	<b>\$ (4,856,403)</b>	<b>-63%</b>