



VALLEY CLEAN ENERGY

VALLEY CLEAN ENERGY ALLIANCE

FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE PERIOD OF MARCH 1 TO MARCH 31, 2020

PREPARED ON APRIL 29, 2020

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF NET POSITION
March 31, 2020
(UNAUDITED)

ASSETS

| | | |
|---------------------------------------|-----------|-------------------|
| Cash and cash equivalents | \$ | 12,237,321 |
| Accounts receivable, net of allowance | | 3,200,390 |
| Accrued revenue | | 1,729,113 |
| Prepaid expenses | | 1,458 |
| Inventory - Renewable Energy Credits | | - |
| Other current assets and deposits | | 2,540 |
| Total current assets | | 17,170,822 |
| Restricted assets: | | |
| Debt service reserve fund | | 1,100,000 |
| Power purchase reserve fund | | 1,165,419 |
| Total restricted assets | | 2,265,419 |
| Noncurrent assets: | | |
| Other noncurrent assets and deposits | | 100,000 |
| Total noncurrent assets | | 100,000 |
| TOTAL ASSETS | \$ | 19,536,241 |

LIABILITIES

| | | |
|-------------------------------------|-----------|------------------|
| Current liabilities: | | |
| Accounts payable | \$ | 704,042 |
| Accrued payroll | | 8,685 |
| Interest payable | | 6,430 |
| Due to member agencies | | 118,890 |
| Accrued cost of electricity | | 2,494,884 |
| Other accrued liabilities | | 631,904 |
| Security deposits - energy supplies | | 515,640 |
| User taxes and energy surcharges | | 46,743 |
| Current Portion of LT Debt | | 395,322 |
| Total current liabilities | | 4,922,540 |
| Noncurrent liabilities | | |
| Term Loan- RCB | | 1,449,514 |
| Total noncurrent liabilities | | 1,449,514 |
| TOTAL LIABILITIES | \$ | 6,372,054 |

NET POSITION

| | | |
|---------------------------|-----------|-------------------|
| Restricted | | |
| Local Programs Reserve | | 136,898 |
| Restricted | | 2,265,419 |
| Unrestricted | | 10,761,870 |
| TOTAL NET POSITION | \$ | 13,164,187 |

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION
FOR THE PERIOD OF MARCH 1, 2020 TO MARCH 31, 2020
(WITH COMPARATIVE YEAR TO DATE INFORMATION)
(UNAUDITED)

| | FOR THE PERIOD ENDING MARCH 31, 2020 | YEAR TO DATE |
|---|---|----------------------|
| OPERATING REVENUE | | |
| Electricity sales, net | \$ 3,093,514 | \$ 40,472,380 |
| TOTAL OPERATING REVENUES | 3,093,514 | 40,472,380 |
| OPERATING EXPENSES | | |
| Cost of electricity | 2,340,509 | 31,276,756 |
| Contract services | 177,770 | 2,243,845 |
| Staff compensation | 89,965 | 772,492 |
| General, administration, and other | 47,107 | 333,982 |
| TOTAL OPERATING EXPENSES | 2,655,351 | 34,627,075 |
| TOTAL OPERATING INCOME (LOSS) | 438,163 | 5,845,305 |
| NONOPERATING REVENUES (EXPENSES) | | |
| Interest income | 10,154 | 70,997 |
| Interest and related expenses | (6,422) | (80,948) |
| TOTAL NONOPERATING REVENUES (EXPENSES) | 3,732 | (9,951) |
| CHANGE IN NET POSITION | 441,895 | 5,835,354 |
| Net position at beginning of period | 12,722,292 | 7,328,833 |
| Net position at end of period | \$ 13,164,187 | \$ 13,164,187 |

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
FOR THE PERIOD OF MARCH 1 TO MARCH 31, 2020
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

| | <u>FOR THE PERIOD ENDING MARCH 31, 2020</u> | <u>YEAR TO DATE</u> |
|---|---|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from electricity sales | \$ 3,131,581 | \$ 44,823,158 |
| Receipts for security deposits with energy suppliers | - | 515,640 |
| Payments to purchase electricity | (2,766,958) | (33,785,360) |
| Payments for contract services, general, and administration | (365,602) | (3,205,536) |
| Payments for staff compensation | (86,749) | (767,596) |
| Net cash provided (used) by operating activities | <u>(87,728)</u> | <u>7,580,306</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | |
| Loans from member agencies | | (1,500,000) |
| Principal payments of Debt | (32,944) | (131,774) |
| Interest and related expenses | (6,151) | (186,830) |
| Net cash provided (used) by non-capital financing activities | <u>(39,095)</u> | <u>(1,818,604)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest income | 10,154 | 70,997 |
| Net cash provided (used) by investing activities | <u>10,154</u> | <u>70,997</u> |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (116,669) | 5,832,699 |
| Cash and cash equivalents at beginning of period | 14,619,409 | 8,670,041 |
| Cash and cash equivalents at end of period | <u>\$ 14,502,740</u> | <u>\$ 14,502,740</u> |
| Cash and cash equivalents included in: | | |
| Cash and cash equivalents | \$ 12,237,321 | \$ 12,237,321 |
| Restricted assets | 2,265,419 | 2,265,419 |
| Cash and cash equivalents at end of period | <u>\$ 14,502,740</u> | <u>\$ 14,502,740</u> |

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
FOR THE PERIOD OF MARCH 1 TO MARCH 31, 2020
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

| | FOR THE PERIOD ENDING MARCH 31, 2020 | YEAR TO DATE |
|--|--|---------------------|
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | | |
| Operating Income (Loss) | \$ 438,163 | \$ 5,845,305 |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | | |
| (Increase) decrease in net accounts receivable | (421.00) | \$ 1,794,883 |
| (Increase) decrease in accrued revenue | 25,218 | \$ 2,566,600 |
| (Increase) decrease in prepaid expenses | 9,497 | \$ (1,458) |
| (Increase) decrease in inventory - renewable energy credits | - | \$ 207,168 |
| Increase (decrease) in accounts payable | 11,755 | \$ 117,922 |
| Increase (decrease) in accrued payroll | 3,216 | \$ 4,896 |
| Increase (decrease) in due to member agencies | (92,000) | \$ (291,419) |
| Increase (decrease) in accrued cost of electricity | (426,449) | \$ (2,715,772) |
| Increase (decrease) in other accrued liabilities | (69,977) | \$ (452,754) |
| Increase (decrease) security deposits with energy suppliers | - | \$ 515,640 |
| Increase (decrease) in user taxes and energy surcharges | 13,270 | \$ (10,705) |
| Net cash provided (used) by operating activities | \$ (87,728) | \$ 7,580,306 |