

**DESERT COMMUNITY ENERGY
UNAUDITED BALANCE SHEET
FROM JULY 1, 2020 TO JUN 30, 2021**

	<u>GENERAL</u>	<u>PALM SPRINGS</u>	<u>TOTAL</u>
<u>ASSETS</u>			
River City Bank			
- Operating Account		306,699.27	306,699.27
- Money Market Account	439.94		439.94
- ICS Account	1,317,525.26	(499,136.20)	818,389.06
- Lockbox Account	3,223,508.18	(1,329,137.76)	1,894,370.42
- Restricted Cash (PPA Collateral)	0.00	1,845,000.00	1,845,000.00
- SCE FSR Letter of Credit Collateral	147,000.00	0.00	147,000.00
- Debt Service Reserve Account	0.00	200,000.00	200,000.00
Total Cash	4,688,473.38	523,425.31	5,211,898.69
Accounts Receivable			
- Southern California Edison		5,946,326.78	5,946,326.78
- Southern California Edison (Escrow account)		852,955.67	852,955.67
- Bad Debt		(1,085,306.96)	(1,085,306.96)
Total Accounts Receivable	0.00	5,713,975.49	5,713,975.49
Accrued Revenue	0.00	1,953,471.36	1,953,471.36
TOTAL ASSETS	4,688,473.38	8,190,872.16	12,879,345.54
<u>LIABILITIES</u>			
Accounts Payable			
- Burke Rix	0.00	4,357.50	4,357.50
- Calpine	0.00	49,138.35	49,138.35
-Coachella Hills	0.00	91,213.64	91,213.64
- Donald D. Dame	576.18	1,728.56	2,304.74
- Southern California Edison	0.00	28,813.72	28,813.72
- The Energy Authority	0.00	2,824,962.79	2,824,962.79
- White Rabbit Group	0.00	0.00	0.00
- Vesper Energy	0.00	233,711.45	233,711.45
- Net Energy Metering payables	0.00	19,354.65	19,354.65
Total Accounts Payable	1,110.12	3,253,814.60	3,254,924.72
Due to Other Governments			
Coachella Valley Association of Governments	135,384.03	406,152.10	541,536.13
Utility Users Tax- Palm Springs		287,810.03	287,810.03
Electric Energy Surcharge (CDTFA)		34,411.10	34,411.10
Total Due to Other Governments	135,384.03	728,373.23	863,757.26
Loans Payable (short term)			
River City Bank		1,500,000.00	1,500,000.00
Total Loans Payable (short term)		1,500,000.00	1,500,000.00
Vendor security deposits			
Terra-Gen		1,845,000.00	1,845,000.00
Total Vendor security deposits		1,845,000.00	1,845,000.00
TOTAL LIABILITIES	136,494.15	7,327,187.83	7,463,681.98
<u>FUND BALANCE</u>			
Unrestricted Fund Balance	4,404,979.24	663,684.33	5,068,663.57
Restricted Fund Balance	147,000.00	200,000.00	347,000.00
TOTAL LIABILITIES AND FUND BALANCE	4,688,473.38	8,190,872.16	12,879,345.54

**DESERT COMMUNITY ENERGY
UNAUDITED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FROM JULY 1, 2020 TO JUN 30, 2021**

	<u>GENERAL</u>	<u>PALM SPRINGS</u>	<u>TOTAL</u>
REVENUES			
Electricity Sales ⁽¹⁾	0.00	36,364,813.04	36,364,813.04
Bad Debt	0.00	(1,068,791.47)	(1,068,791.47)
Other Revenue	0.00	927,273.54	927,273.54
Investment Income	14,003.76	0.00	14,003.76
TOTAL REVENUES	<u>14,003.76</u>	<u>36,223,295.11</u>	<u>36,237,298.87</u>
EXPENDITURES			
Cost of Electricity			
Electricity Purchase	0.00	18,329,516.14	18,329,516.14
Resource Adequacy	0.00	7,035,492.20	7,035,492.20
Low Carbon Settlement	0.00	1,393,690.00	1,393,690.00
Renewable Energy Credit Settlement	0.00	3,537,443.45	3,537,443.45
Market Charges	0.00	5,113,907.54	5,113,907.54
Total Cost of Electricity	<u>0.00</u>	<u>35,410,049.33</u>	<u>35,410,049.33</u>
Accounting / Bank Services	11,208.90	11,208.90	22,417.80
Office Supplies	299.86	899.57	1,199.43
Professional Services			
- Arthur J Gallaguer Insurance & co	233.13	233.13	466.25
- LSL, CPAs	1,875.00	5,625.00	7,500.00
- Lift to Rise	0.00	0.00	0.00
- Southern California Edison	0.00	45,062.80	45,062.80
Total Professional Services	<u>2,108.13</u>	<u>50,920.93</u>	<u>53,029.05</u>
Insurance			
- Directors & Officers	3,000.00	3,000.00	6,000.00
- General Liability	250.00	250.00	500.00
Total Insurance	<u>3,250.00</u>	<u>3,250.00</u>	<u>6,500.00</u>
Consultants			
- Donald D. Dame	6,629.44	19,888.31	26,517.75
- Calpine Energy Solutions	0.00	597,472.35	597,472.35
- CVAG	0.00	0.00	541,536.13
- The Energy Authority	0.00	1,073,769.32	1,073,769.32
- White Rabbit Group	1,950.00	1,950.00	3,900.00
Total Consultants	<u>8,579.44</u>	<u>1,693,079.98</u>	<u>2,243,195.55</u>
Outreach			
- Burke Rix Communications	0.00	35,783.64	35,783.64
Total Outreach	<u>0.00</u>	<u>35,783.64</u>	<u>35,783.64</u>
Postage			
- Ace Printing	2,291.98	2,291.98	4,583.95
Total Printing	<u>2,291.98</u>	<u>2,291.98</u>	<u>4,583.95</u>
Printing			
- Ace Printing	3,481.87	3,481.87	6,963.74
Total Printing	<u>3,481.87</u>	<u>3,481.87</u>	<u>6,963.74</u>
Registrations/Memberships			
- CA Community Choice Association	19,178.75	57,536.25	76,715.00
Total Registration/Memberships	<u>19,178.75</u>	<u>57,536.25</u>	<u>76,715.00</u>
Interest Expense	0.00	17,499.24	17,499.24
TOTAL EXPENDITURES	<u>50,398.92</u>	<u>37,286,001.69</u>	<u>37,877,936.73</u>
Excess of Revenues over Expenditures	(36,395.16)	(1,062,706.58)	(1,640,637.86)
Fund Balance - Beginning of the Year	4,588,374.39	2,496,740.75	7,085,115.14
Fund Balance - End of the Year	<u>4,551,979.24</u>	<u>1,434,034.18</u>	<u>5,444,477.28</u>

(1) Electricity sales revenue includes revenues actually billed to customers as well as estimated customer usage during the reporting period that is not yet billed

DESERT COMMUNITY ENERGY
UNAUDITED FINANCIAL STATEMENTS
FROM JULY 1, 2020 TO JUN 30, 2021

ASSETS

River City Bank		
- Operating Account	306,699.27	
- Money Market Account	439.94	
- ICS Account	818,389.06	
- Lockbox Account	1,894,370.42	
- Restricted Cash (PPA Collateral)	1,845,000.00	
- SCE FSR Letter of Credit Collateral	147,000.00	
- Debt Service Reserve Account	200,000.00	
Total Cash		5,211,898.69
Accounts Receivable		
- Southern California Edison	5,946,326.78	
- Southern California Edison (Escrow account) ⁽²⁾	852,955.67	
- Bad Debt	(1,085,306.96)	
Total Accounts Receivable		5,713,975.49
Accrued Revenue		1,953,471.36
TOTAL ASSETS		12,879,345.54

LIABILITIES

Accounts Payable		
- Ace Printing	1,067.87	
- Burke Rix	4,357.50	
- Calpine	49,138.35	
- Coachella Hills	91,213.64	
- Donald D. Dame	2,304.75	
- Southern California Edison	28,813.72	
- The Energy Authority	2,824,962.79	
- Vesper Energy	233,711.45	
-Net Energy Metering payables	19,354.65	
Total Accounts Payable		3,254,924.72
Due to Other Governments		
Coachella Valley Association of Governments	541,536.13	
Utility Users Tax- Palm Springs	287,810.03	
Electric Energy Surcharge (CDTFA)	34,411.10	
Total Due to Other Governments		863,757.26
Loans Payable (short term)		
River City Bank	1,500,000.00	
Total Loans Payable (short term)		1,500,000.00
Vendor security deposits		
Terra-Gen	1,845,000.00	
Total Vendor security deposits		1,845,000.00
TOTAL LIABILITIES		7,463,681.98

FUND BALANCE

Restricted Fund Balance		347,000.00
Unrestricted Fund Balance		5,068,663.56
TOTAL FUND BALANCE		5,415,663.56
TOTAL LIABILITIES AND FUND BALANCE		12,879,345.54

(2) Net Energy Metering customers' usage is monitored on a monthly basis, recorded in an escrow account and trued-up at the end of their relevant period (May 2021).

-If the NEM customer generated more electricity than used, DCE will pay the NET balance at the end of May 2021 at the DCE's approved Net Surplus Compensation Rate, if the NEM customer used more electricity than generated, DCE will bill the net annual balance at the rate its meter is registered.

**DESERT COMMUNITY ENERGY
UNAUDITED FINANCIAL STATEMENTS
OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION FOR THE PERIOD
JULY 1 TO JUN 30, 2021**

REVENUES

Electricity Sales ⁽¹⁾		35,296,021.57
Carbon Free	29,738,033.35	
Carbon Free- CARE/FERA	4,024,212.44	
Desert Saver	2,602,567.25	
Bad Debt	(1,068,791.47)	
Other revenue		927,273.54
Investment Income		14,003.76
TOTAL REVENUES		<u><u>36,237,298.87</u></u>

EXPENDITURES

Cost of Electricity		
Electricity Purchase	18,329,516.14	
Resource Adequacy	7,035,492.20	
Low Carbon Settlement	1,393,690.00	
Renewable Energy Credit Settlement	3,537,443.45	
Market Charges	5,113,907.54	
Total Cost of Electricity		35,410,049.33
Accounting / Bank Services		22,417.80
Office Supplies		1,199.43
Professional Services		81,842.77
Insurance		6,500.00
Consultants		2,243,195.55
Outreach		35,783.64
Postage		4,583.95
Printing		6,963.74
Registrations/Memberships		76,715.00
Interest Expense		17,499.24
TOTAL EXPENDITURES		<u><u>37,906,750.45</u></u>
Excess of Revenues over Expenditures		(1,669,451.58)
Fund Balance - Beginning of the Year		<u>7,085,115.14</u>
Fund Balance - End of the Year		<u><u>5,415,663.56</u></u>

(1) Electricity sales revenue includes revenues actually billed to customers as well as estimated customer usage during the reporting period that is not yet billed