

Cooperative Energy Futures

2020 Annual Report



Table of Contents

- General Manager’s Letter** 1
- Cooperative Energy Futures 2020 Updates** 2
- How Your Co-op Works:** 5
- 2020 Project Profiles** 8
 - Shiloh Community Solar Garden** 9
 - Edina Community Solar Garden** 10
 - Clarks Grove Community Solar Garden (July 2019-December 2020)** 11
 - Pax Christi Community Solar Garden (August 2019-December 2020)** 12
 - Haven Community Solar Garden (August 2019-December 2020)** 13
 - Ramp A Community Solar Garden (October 2019-December 2020)** 14
 - Waseca Community Solar Garden (December 2019-December 2020)** 15
 - Faribault Community Solar Garden (May-December 2020)** 16
- Cooperative and Project Financials:** 17
- Appendix A: Financial Statements** 21



May 10th, 2021

Dear Cooperative Energy Futures Members,

We are pleased to share our second CEF Annual Report at a time when we are getting in stride. Despite all the challenges of 2020, the year was one of growing stability as the co-op finished out its member engagement on our first set of community solar projects and began turning up the dial on clean energy produced. As we have sent more and more clean energy onto our local electric grid, we have stabilized our co-op's economic footing and staffing structure, while gearing up for the next round of expansion in 2021 and beyond.

As our society has grappled with many challenges over the past year – the pandemic, racial injustice, rising climate threats, and caustic political polarization – more and more communities are turning to groups like ours seeking solutions. Local governments and businesses here in Minnesota are reaching out to support community-based energy solutions that center economic justice and grow local wealth and community relationships. Nationally, other grassroots groups and federal leadership are seeking to replicate models like ours as well. As members, you are helping center the need for community ownership, local control, and equity in our energy future.

Our work is starting to pay off.

We enter 2021 ready to launch our next stage of community solar project development with seven new projects that will double our member-serving clean energy capacity. To do this, we are also gearing up to roughly double our staff team, allowing us to more effectively support our current and future members and build new projects. We are accelerating our efforts to push for state and federal action to level the playing field for community-based energy solutions. We are preparing to branch out with new models for on-site solar projects serving renters living in affordable housing and potentially expanding options for members not served by Xcel.

This is all possible because of you. CEF's members have together directly invested over \$1.675 million in local clean energy as of early 2021. Members are now helping us site new clean energy projects, preparing to engage their neighbors as subscribers, and helping push for better state and local policy. Thank you for being a part of it, and keep it up!

We hope you can join us for the 2021 CEF Annual Members Meeting on May 26th 6-7:30PM (online). Register at <https://tinyurl.com/CEFAnnualMeet2021>

We look forward to building with you.

Sincerely,

Timothy DenHerder-Thomas
General Manager, Cooperative Energy Futures

Cooperative Energy Futures 2020 Updates

Between the COVI-19 pandemic, social unrest following the murder of George Floyd, rising climate disruptions across the country and around the world, and increasingly polarized national politics, 2020 was a tough year for us all. Like most of us, the Cooperative Energy Futures team has been primarily working from home, and we have had the good fortune to be at a stage in our community solar project development where we were streamlining operations from our first round of community solar projects, and gearing up for the second round. Amidst all the challenges this year brought us, we're still going strong and getting ready to ramp up our efforts to bring a just clean energy transition to even more Minnesota communities in 2021 and beyond.

2020 was the first full year of operation for most of Cooperative Energy Futures' community solar projects, and our organization grew steadily while we kicked our energy production into high gear:

	January 1 st , 2020	December 31 st , 2020
Co-op Members	799	906
Community Solar Subscribers With Monthly Bill Credits	642	649*
MW of Community Solar in Operation	5.485 Megawatts (DC)	6.795 Megawatts (DC)
Clean Energy Generated to Date	1,904,784 kWh	9,389,112 kWh

*In 2020, we moved to counting unique energy users as subscribers, whereas in 2019, we counted subscriptions, including cases where one energy user had multiple subscriptions.



New CEF Community Solar Projects:

In May 2020, CEF began operating our eighth community solar gardens, located just outside of Faribault, MN. Challenges with passing Xcel Energy commissioning and testing requirements during the snowy winter months significantly delayed this 1,310.4kW project from an originally expected December 2019 start date by. The project is now benefiting subscribers, particularly in Faribault, Northfield, and Dakota County.

Together with ongoing projects, the Faribault community solar garden brings us to almost 6.8 MW of community solar in operation.

Building Our Cooperative:

Cooperative Energy Futures held our first online Annual Members meeting in May with over 110 members attending and 121 members participate in our online Annual Board elections.

Recordings of the CEF Annual Members Meeting are available at:

<https://www.cooperativeenergyfutures.com/annual-meeting-and-annual-report>

Members elected new Directors Roger Steinkamp and Matthew Hazelton to the Board of Directors and returned Directors Dan Bakke, Ahmad Kian, Sean McLoughlin to the Board for a second term. They join existing Board members Akisha Everett, Keith Dent, Kris Foner, and Mahesh Johari, whose terms will expire at the 2021 Annual Member meeting. Bios of all existing Board members can be found at: <https://www.cooperativeenergyfutures.com/our-team>

Shaping Minnesota's Clean Energy Policy:

Cooperative Energy Futures has engaged in shaping policy for Minnesota's clean energy future to ensure our members and other communities have full access to a just clean energy transition:

1. In March 2020, CEF secured adoption of an approach within Minnesota's Value of Solar that accurately calculates the timing of solar energy production throughout the year. We'll be working to make sure this method is applied thoroughly in 2022.
2. CEF continued to push for legislative changes to restore the bill credit rate paid to subscribers in future residentially-focused and low-income accessible projects back to the "Applicable Retail Rate" enjoyed by present subscribers. Though ours and many other bills were a casualty of the COVID-19 disruptions of the 2020 legislative session, we continue to build strong bipartisan support for this policy, including from the Republican and DFL Chairs of the relevant Senate and House committees. We feel well positioned for 2021.
3. CEF helped revise the rules for the Xcel Energy Solar* Rewards Low-Income incentives. The new rules, which make solar accessible for low-income tenants and multi-family residents, were proposed by Xcel Energy in October and approved in February 2021.
4. Over a dozen members participated in grassroots advocacy to launch Inclusive Energy Financing in Minneapolis through the CenterPoint Energy Rate case. This model would allow households to receive home energy upgrades like insulation, heating and cooling upgrades, and efficient appliances with no upfront cost and no debt and repay costs via the savings on their utility bills. The MN Public Utilities Commission referred this proposal to further development in a mid-2021 tariff proposal after final deliberations in January 2021.

5. CEF partnered with Vote Solar, the Institute for Local Self-Reliance, the Environmental Law and Policy Center, and Earthjustice to intervene in Xcel Energy’s Integrated Resource Plan. We highlighted the extremely low estimate of customer-owned and community-based clean energy in all scenarios of Xcel Energy’s plan and identified ways that community-based energy can lower costs and increase reliability. We look forward to ongoing discussions as the Integrated Resource Planning process progresses in 2021.

The Path Ahead:

As we look to the year ahead, Cooperative Energy Futures is focused on:

- Structuring and delivering our first round of member dividends, likely as credits on subscriber’s energy bills, to start the cycle of building community wealth for our members.
- Releasing our online portal to current subscribers to access tools to manage subscriptions.
- Developing, and launching subscriber outreach in a new set of community solar gardens (target operation in late 2021 and 2022) including projects serving new members in Eden Prairie, South Minneapolis, Hennepin County/ western suburbs, Ramsey County/ eastern suburbs, western Minnesota, Mankato area, and Chisago County/ northeastern suburbs. We are looking forward to beginning to open new projects to subscribers in mid-2021.
- Launching a new program to offer onsite solar to residents of Minneapolis low-income housing at no upfront cost and with a net monthly savings based on the new rules for the Solar* Rewards Low-Income incentive program that we secured in 2020.
- Exploring new business model for community ownership of solar development in rural electric cooperative territories through a partnership in Western Minnesota. This would allow CEF to begin inviting member participation in solar for folks not served by Xcel.

We look forward to an exciting year of growth for our projects and member communities in 2021!



“We’re on both sides of it: we’ve got the array on our property, and we’re going to get the benefit from it by being a member of the co-op.”

- Neil and Sandy Anderson, Host Site and Subscriber (staff member Bruce Konewko at left)

How Your Co-op Works:

Cooperative Energy Futures (CEF) is a Minnesota 308B Cooperative Association, which means we are a for-profit business owned by its members and operated to benefit current and future members. CEF had 906 member-owners as of the end of 2020 (membership has grown to over 931 by the time of the May 2021 Annual Meeting). All residential subscribers to community solar gardens and most of the small business or non-profit subscribers become CEF member-owners.

If you are a member, you have a right to run for and vote in CEF elections for the Board of Directors, which sets cooperative priorities and directs the actions of the General Manager and the staff team. Members can run each year as a Board member of the cooperative. If you don't want to run yourself, use your vote to weigh in on who you want to represent you and other members in managing the cooperative. Full bios of the current Board of Directors and the staff team are available at: <https://www.cooperativeenergyfutures.com/our-team>

All member-owners also have rights to profit sharing based on their portion of the business of the co-op. In the case of community solar subscriptions, this profit sharing right is based on the portion of kWh of CEF's community solar gardens that their subscription represents. CEF is planning to distribute profits to members based on 2020 net income for the first time, using the process outlined further below.

Why a Cooperative?

Cooperatives have a long history of helping local communities solve urgent problems when governments and markets are failing to meet their needs. Just a few examples:

- Farmers across the Midwest in the late 19th century struggled to access markets for their crops without getting squeezed by the railroads, who took most of their profits. In response, farmers formed agricultural co-ops that built their own grain elevators and other processing facilities and built collective power to negotiate with the railroads.
- In the 1930s and 1940s, urban communities across the country had been electrified by public (city-owned) and private (corporate-owned) electric companies, but rural areas were left in the dark. In response, rural communities formed rural electric co-ops that now provide electricity to over 70% of the geographic area and over 12% of the people in the United States (and 35% of Minnesotans) through cooperative rural utilities.
- In the 1960s and 1970s, a growing interest in sustainable, local, and healthy food was not being met by major grocery retailers. In response, communities nationwide formed grocery cooperatives that sparked a national movement towards local and organic food.

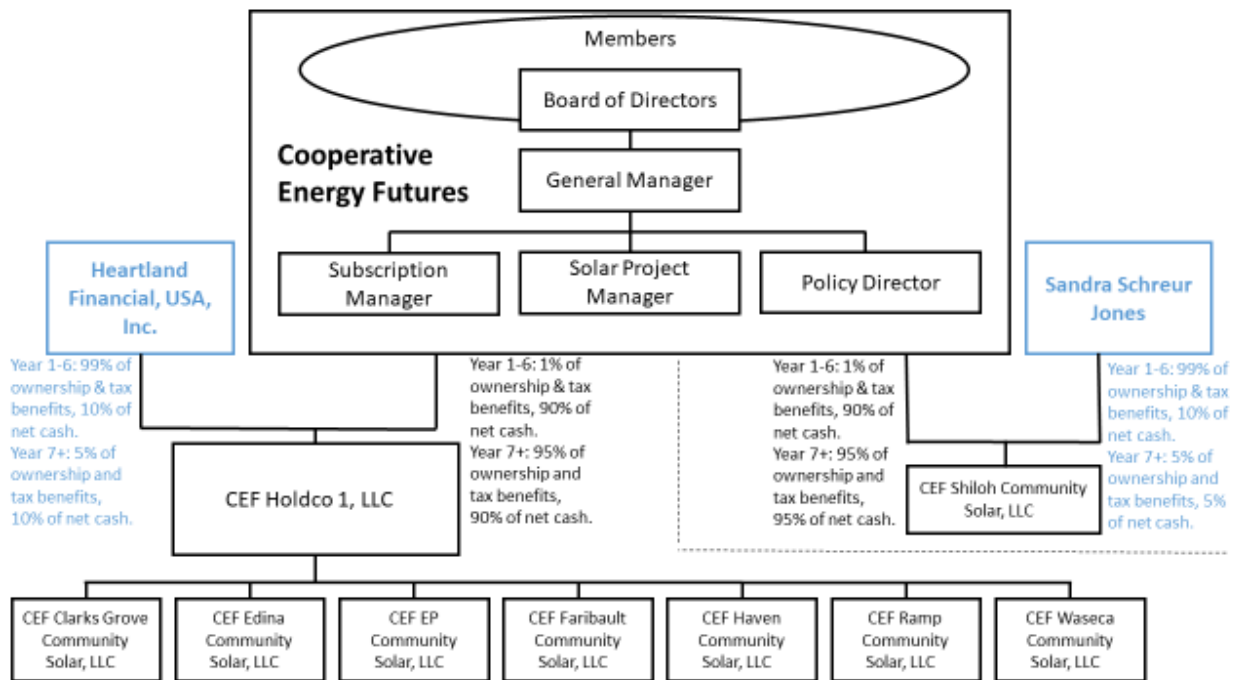
Cooperatives have been used by a vast range of communities all across the world, both in formal cooperative structure and in informal shared enterprises where everyone votes and everyone shares in the benefits. From cooperatives of black farmers in Georgia to cooperatives of coffee growers and garment workers in Latin America, to worker co-ops in Spain and Italy with thousands of workers and billions in revenue, cooperatives have helped people build a better world and confront long-standing injustices by working together.

By being a part of Cooperative Energy Futures, you are helping prove that this same approach can address the urgent crises of climate change and energy insecurity. Our communities face rising energy bills, monopoly energy companies that are moving too slowly to shift away from polluting energy sources, and a mainstream approach to clean energy development that leaves those without wealth or property out in the cold.

As members across Minnesota, we know we can do better, and by working together, we are.

As a cooperative, CEF enables community members to participate in and benefit from local renewable energy. We ensure that people without the economic means to invest can nevertheless share in the wealth built through clean energy by subscribing to offset their utility bills. We ensure that decision-making power and wealth from our energy system stays in the hands of people who use the energy – all of us. We invite you to join us in the next stages of the conversation: what should we do next to build an energy future that works for all of us?

Organizational Chart:



As subscribers, members are customers with a contractual relationship to their project company. By since subscribers are also members, they are joint owners of Cooperative Energy Futures, which owns the project company through a partnership. These partnerships allow an outside investor (blue in the above chart) to use the federal solar tax credits that CEF cannot. The Shiloh project is owned directly through a stand-alone investor partnership, while the other 7 projects are owned through a holding company (CEF Holdco 1, LLC) with an investor partner. Both investment partnerships are structured so that CEF maintains majority cash benefits from the first year and majority legal ownership starting in year 7. Future projects will include additional similar partnerships. This design maintains cooperative control and builds member wealth.

2020 Member Dividends:

CEF distributes its profits to members based on each member's share of the sales that created those profits. CEF is allowed to make profit distributions to members in any year in which we have also paid expected dividends to Preferred Stock investors, which the co-op has completed for 2020. 2020 was the first year in which CEF generated distributable profits and is planning to distribute profits as a subscription bill credit to members. There are a few preparatory steps we have to complete before we can do this, and some implications for our members:

1. Since the vast majority of our members are individuals or residential households, not for-profit businesses, and we are providing a service to members for personal use, we likely qualify for a key IRS exemption that will exempt us from having to file 1099-PATR forms to each member for income distributed to members. CEF has filed for this exemption and is awaiting this response.
2. The CEF Board will need to determine how much of this member dividend to distribute as cash versus equity. MN cooperative law requires that we distribute at least 20% of the member dividend as cash, and the remainder as equity, which forms a member equity account for each member that can be redeemed at Board discretion in later years. Given the co-op's early stage, we anticipate that the co-op will likely distribute only 20% of the 2020 profit distributions as cash, but the Board could decide a higher percentage.
3. Tax implications to members for the likely 2020 member dividend issued in 2021:
 - a. **For the vast majority of our members who are individuals/residential households, or non-profit/ public entities;** the entire dividend (cash and equity) is non-taxable, as it reflects a price reduction in services used for personal benefit.
 - b. **For any member that is a taxable business/for profit entity;** the entire dividend (cash and equity portions) is taxable income and must be reported on your 2021 income taxes (filed in early 2022). If we receive the expected IRS exemption, we are not required to provide a 1099-DIV, but the dividend that we provide with a notice should still be reported as taxable income.
4. Calculation of share of profits; the CEF Board will need to make a final decision on how the per-member share of profits is calculated. We will be conducting a straw poll at the CEF Annual Members meeting to assess member buy-in to an approach that would calculate each member's share of community solar profits based on the share of community solar kWh each member purchases from the co-op.
5. Method of distribution; we plan to distribute the cash portion of any 2020 dividend following IRS exemption approval in mid 2021 as a credit on a subscription invoice for all members who are still subscribers (via a monthly subscription bill for pay-as-you-go subscribers, and via the annual dues bill for upfront subscribers), reducing the amount due by that member. This dividend would be accompanied by a statement of both the cash portion and the equity portion of the dividend sent to each member. We would send the dividend payment by check for any member who has ceased to be a subscriber.




2020 Project Profiles

The following section includes performance profiles for all eight operating Cooperative Energy Futures community solar gardens. Performance for these community solar gardens includes:

Garden	Date Operational	Production Months	Production	Subscribers
Shiloh	June 6 th , 2018	Jan.-Dec. 2020	224,498 kWh	31
Edina	November 28 th , 2018	Jan.-Dec. 2020	737,058 kWh	71
Clarks Grove	June 18 th , 2019	July 2019-Dec. 2020	580,435 kWh	37
Pax Christi	July 30 th , 2019	Aug. 2019-Dec. 2020	266,027 kWh	20
Haven	July 31 st , 2019	Aug. 2019-Dec. 2020	2,158,372 kWh	144
Ramp A	September 19 th , 2019	Oct. 2019-Dec. 2020	1,565,185 kWh	140
Waseca	November 18 th , 2019	Dec. 2019-Dec. 2020	1,730,684 kWh	129
Faribault	May 1 st , 2020	May-Dec. 2020	1,125,129 kWh	77

Solar energy production is highly seasonal can be substantially restricted during snowy winter months both due to low sunlight and potential snow cover. The impact of snow cover is usually especially pronounced on rooftop projects that have a lower panel mounting angle for structural reasons (usually 10° for rooftop systems versus 30° for ground mounts). Since winter is the lowest production time of year regardless of snow cover, it is rarely cost effective to clear panels of snow, especially given that subsequent snowfalls are unpredictable. The performance of a solar array will vary widely year to year (up to 20% variation from average is normal) based on the amount of cloud cover and snow cover.

For each project profile that follows, a month-by-month production chart compares:

-  The actual monthly energy production (represented as blue bars)
-  The expected production based on the irradiance sensor on site that detects the amount of sunlight to the site over the year (represented by the orange bars)
-  The projected production based on historical weather conditions and projected amount of sunlight for the average year in this location (represented by the gray line).

Put another way, the gray line in these charts represents the energy production that would be expected from the solar array if the panels were not obstructed by snow and the weather for each month of the year was as sunny as the historical average. The orange bars in these charts represent the amount of energy production that would be expected from the solar array if the panels were not obstructed by snow based on the actual amount of sunlight received by the system in that month. The blue bars represent how much energy was actually produced. The impact of cloudier than average weather can be seen when the orange bar is substantially below the gray line. Snow cover or other disruptions such as Xcel Energy grid shutdowns or equipment malfunctions can be seen when the blue bar is substantially below the orange bar.

Shiloh Community Solar Garden



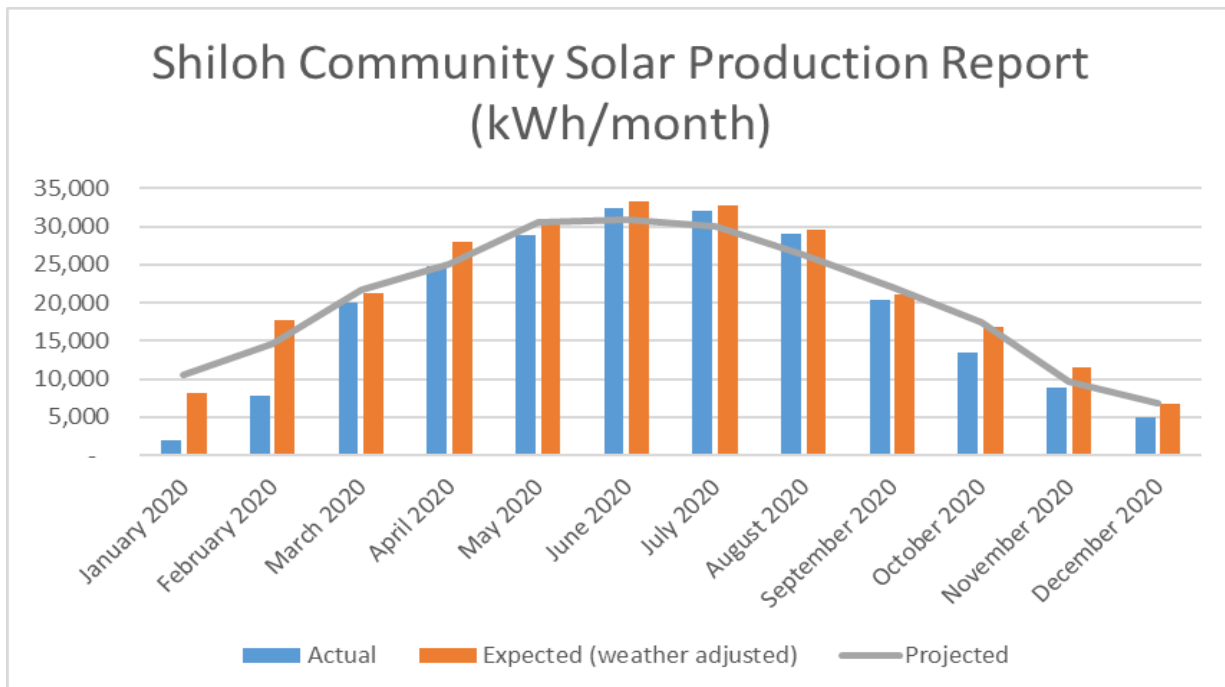
Shiloh Project Production	
Month / Year	kWh
January 2020	1,995
February 2020	7,768
March 2020	19,955
April 2020	24,881
May 2020	28,830
June 2020	32,376
July 2020	32,074
August 2020	29,049
September 2020	20,337
October 2020	13,429
November 2020	8,874
December 2020	4,930
TOTAL	224,498

2020 Key Performance Metrics		
Weather-adjusted performance	2020 sunshine vs. average year	Actual Energy vs. Projected
87.3%	104.4%	91.2%

2020 was a sunnier year than average at the Shiloh site, but the system lost substantial production during the winter months due to snow cover, the primary cause of lower than projected energy production. Based on the amount of sunshine at the site, the Shiloh project produced 87.3% of the expected energy, though performance exceeded 95% in months without snow cover. CEF transitioned to a new Operations & Maintenance Provider, Energy Support Services, in mid 2020, which will allow us to address system issues in real-time going forward to improve production.

Total 2020 Bill Credit Benefit for 31 subscribers:

\$30,767.25



Edina Community Solar Garden



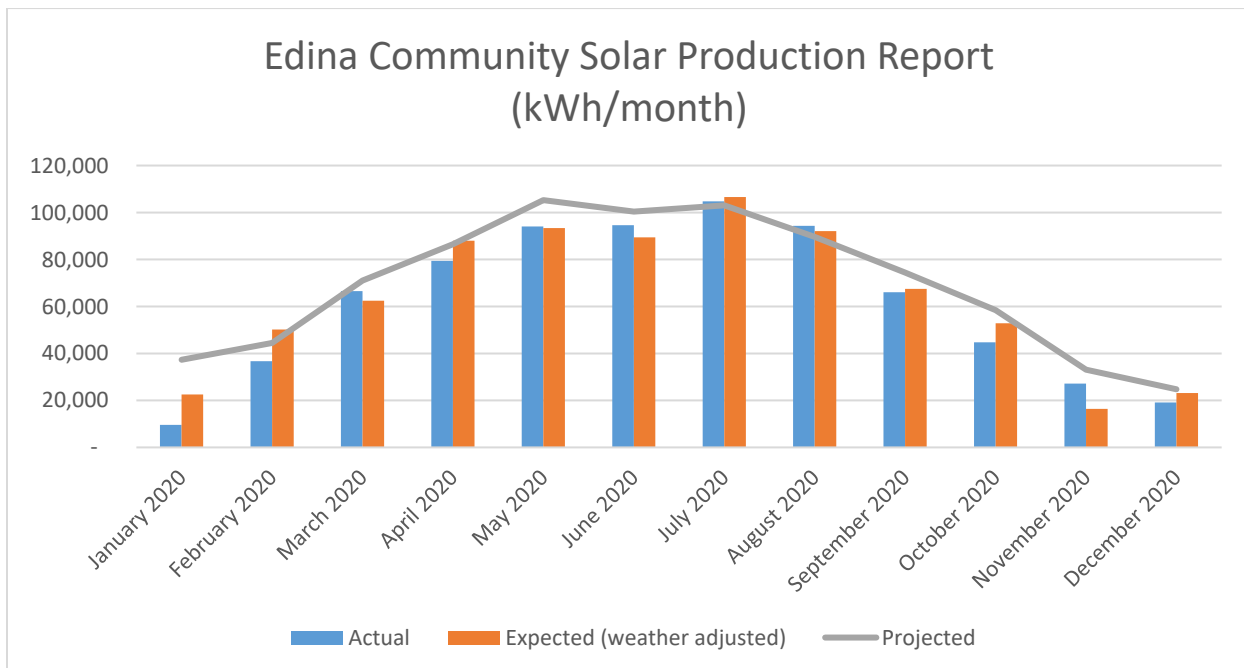
Edina Project Production	
Month / Year	kWh
January 2020	9,608
February 2020	36,691
March 2020	66,553
April 2020	79,402
May 2020	94,043
June 2020	94,616
July 2020	104,757
August 2020	94,331
September 2020	66,071
October 2020	44,711
November 2020	27,141
December 2020	19,134
TOTAL	737,058

2020 Key Performance Metrics		
Weather-adjusted performance	2020 sunshine vs. average year	Actual Energy vs. Projected
96.4%	92.3%	89.0%

2020 was a less sunny year than average at the Edina site, the primary cause of lower than projected energy production. Based on the amount of sunshine at the site, the Edina project produced 96.4% of the expected energy, with the primary losses created by higher than expected snow cover in January, February, April, October, and December, and a 2.5 day outage caused by Xcel work on local power lines during June. CEF transitioned to a new Operations & Maintenance Provider, Energy Support Services, in mid 2020, which we expect will allow us to address system issues in real-time going forward to improve production.

Total 2020 Bill Credit Benefit for 71 subscribers:

\$114,558.76



Clarks Grove Community Solar Garden (July 2019-December 2020)

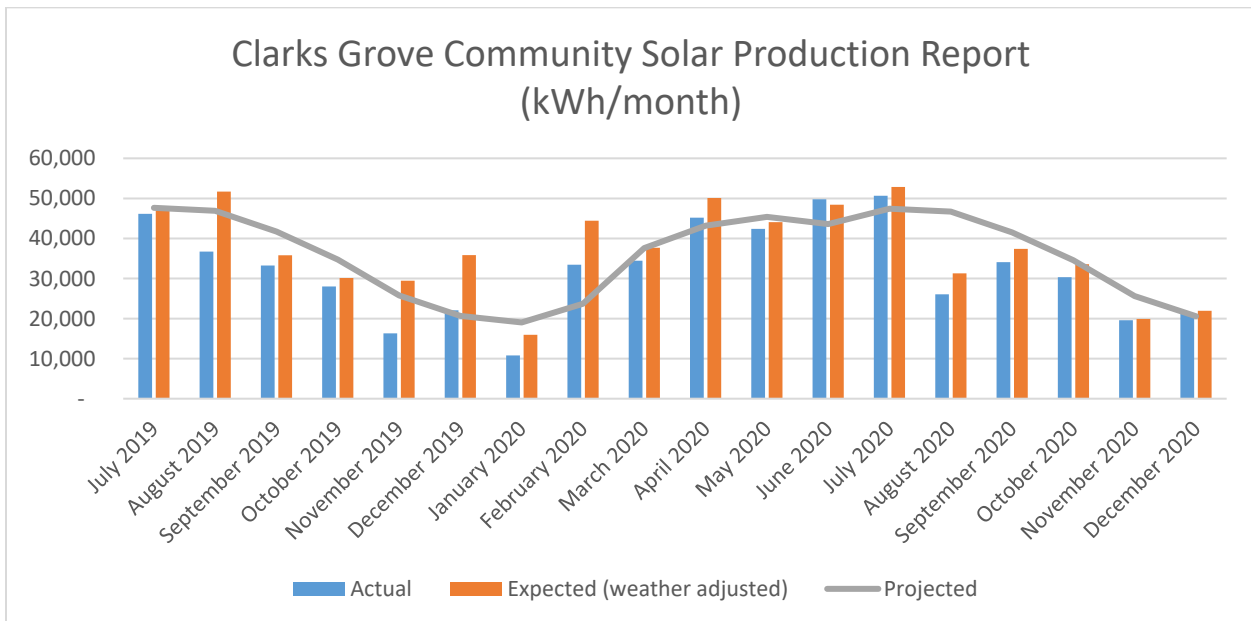


Clarks Grove Project Production	
Month / Year	kWh
July 2019	46,162
August 2019	36,738
September 2019	33,230
October 2019	28,001
November 2019	16,330
December 2019	22,076
January 2020	10,811
February 2020	33,460
March 2020	34,454
April 2020	45,188
May 2020	42,380
June 2020	49,762
July 2020	50,669
August 2020	26,040
September 2020	34,085
October 2020	30,330
November 2020	19,577
December 2020	21,142
TOTAL	580,435.2

2019-2020 Key Performance Metrics		
Weather-adjusted performance	2020 sunshine vs. average year	Actual Energy vs. Projected
86.9%	103.3%	89.8%

In 2020, the Clarks Grove project faced two large outages caused by Xcel Energy doing work on the local grid. These outages shut the system down for two weeks in August and 9 days in November. The project also experienced minor losses due to snow cover in the winter months, especially November 2019-February 2020. CEF transitioned to a new Operations & Maintenance Provider, Energy Support Services, in mid 2020, allowing us to address system issues in real-time going forward to improve production.

Total July 2019 through 2020 Bill Credit Benefit for 37 subscribers: \$96,140.46



Pax Christi Community Solar Garden (August 2019-December 2020)

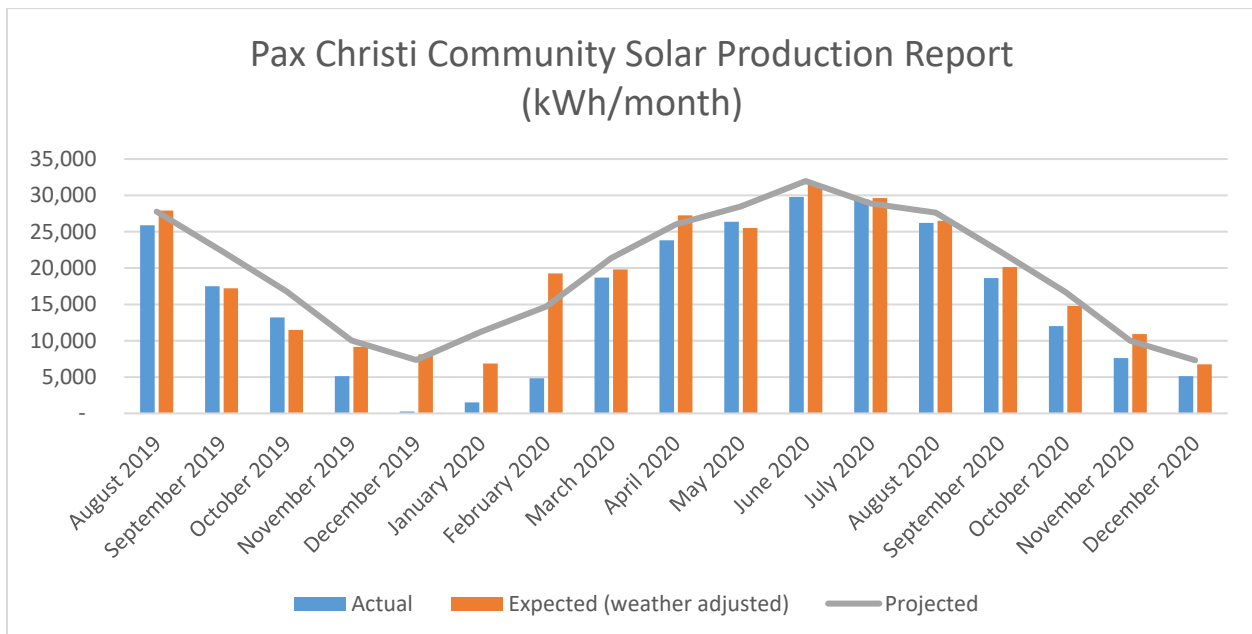


Pax Christi Project Production	
Month / Year	kWh
August 2019	25,897
September 2019	17,493
October 2019	13,203
November 2019	5,120
December 2019	250
January 2020	1,509
February 2020	4,833
March 2020	18,692
April 2020	23,825
May 2020	26,374
June 2020	29,790
July 2020	29,445
August 2020	26,210
September 2020	18,623
October 2020	12,024
November 2020	7,617
December 2020	5,122
TOTAL	266,027

2019-2020 Key Performance Metrics		
Weather-adjusted performance	2020 sunshine vs. average year	Actual Energy vs. Projected
85.0%	94.6%	80.4%

The Pax Christi project has seen substantial losses in winter production due to snow cover, a particular challenge for small rooftop arrays. The project also experiences some limited shading from a taller parts of the church roof during the shoulder months (late Fall and early Spring). May through September, the project delivered 92.4% to 103.3% of expected energy.

Total August 2019 through 2020 Bill Credit Benefit for 20 subscribers: \$40,772.76



Haven Community Solar Garden (August 2019-December 2020)

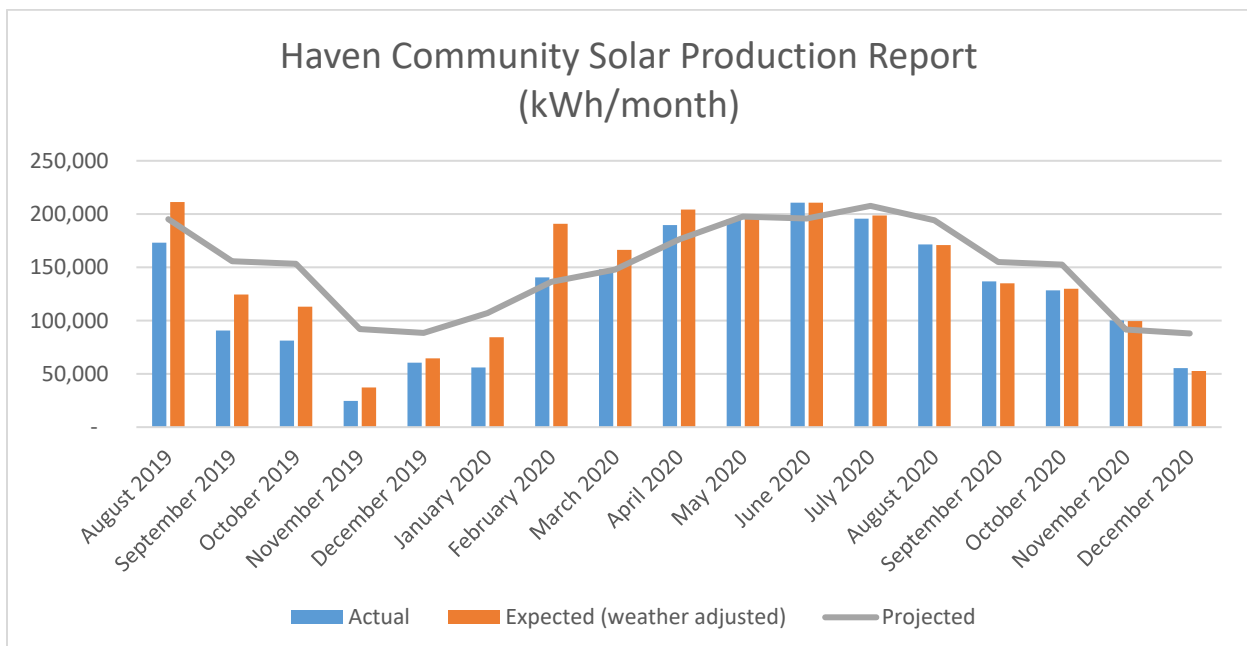


Haven Project Production	
Month / Year	kWh
August 2019	173,228
September 2019	90,730
October 2019	81,180
November 2019	24,575
December 2019	60,506
January 2020	56,043
February 2020	140,559
March 2020	148,117
April 2020	189,659
May 2020	195,066
June 2020	210,708
July 2020	195,739
August 2020	171,561
September 2020	136,822
October 2020	128,342
November 2020	100,171
December 2020	55,366
TOTAL	2,158,372

2019-2020 Key Performance Metrics		
Weather-adjusted performance	2020 sunshine vs. average year	Actual Energy vs. Projected
90.2%	94.4%	85.1%

The Haven project experienced multiple shutdowns caused by Xcel Energy work on nearby power lines, causing cumulative 34 days of lost energy production, or around 6.76% offline time, mostly in 2019. This depressed both system energy production and in some cases measurement of solar energy available to the site. Outside of outage times and limited snow cover during winter months, the project met or exceeded expectations, with 98%-105% of weather-adjusted production between May and December 2020.

Total August 2019 through 2020 Bill Credit Benefit for 144 subscribers: \$322,165.81



Ramp A Community Solar Garden (October 2019-December 2020)

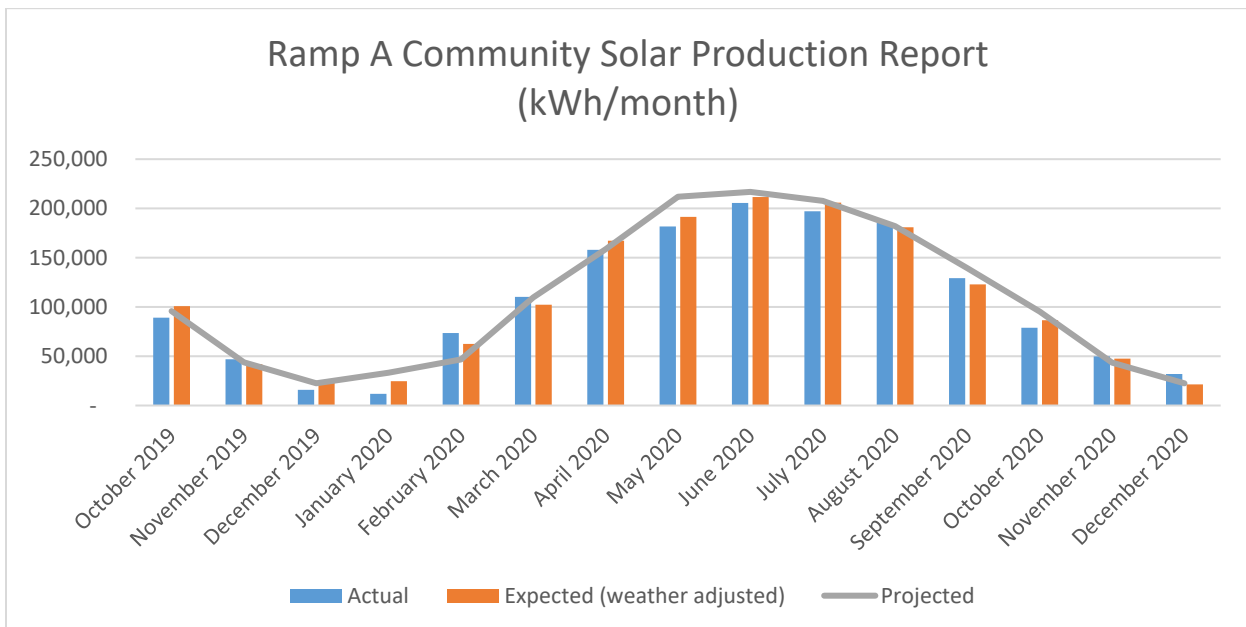


Ramp Project Production	
Month / Year	kWh
October 2019	89,162
November 2019	46,934
December 2019	15,972
January 2020	11,821
February 2020	73,563
March 2020	110,212
April 2020	157,949
May 2020	181,718
June 2020	205,531
July 2020	197,130
August 2020	185,268
September 2020	129,199
October 2020	78,991
November 2020	49,771
December 2020	31,963
TOTAL	1,565,185

2019-2020 Key Performance Metrics		
Weather-adjusted performance	2020 sunshine vs. average year	Actual Energy vs. Projected
98.3%	97.7%	96.0%

The Ramp A project experienced a near-normal sun year (2.3% below average) and generally performed as expected. Our original expectation of heavy winter production losses due to snow cover on a nearly flat design proved accurate, with highly variable winter production dependent on snow cover. The project experiences some string failures and inverter faults during its first year, which minorly impacted production; these issues have been addressed as part of a new Operations and Maintenance contract started mid-year.

Total October 2019 through 2020 Bill Credit Benefit for 140 subscribers: \$238,326.39



Waseca Community Solar Garden (December 2019-December 2020)

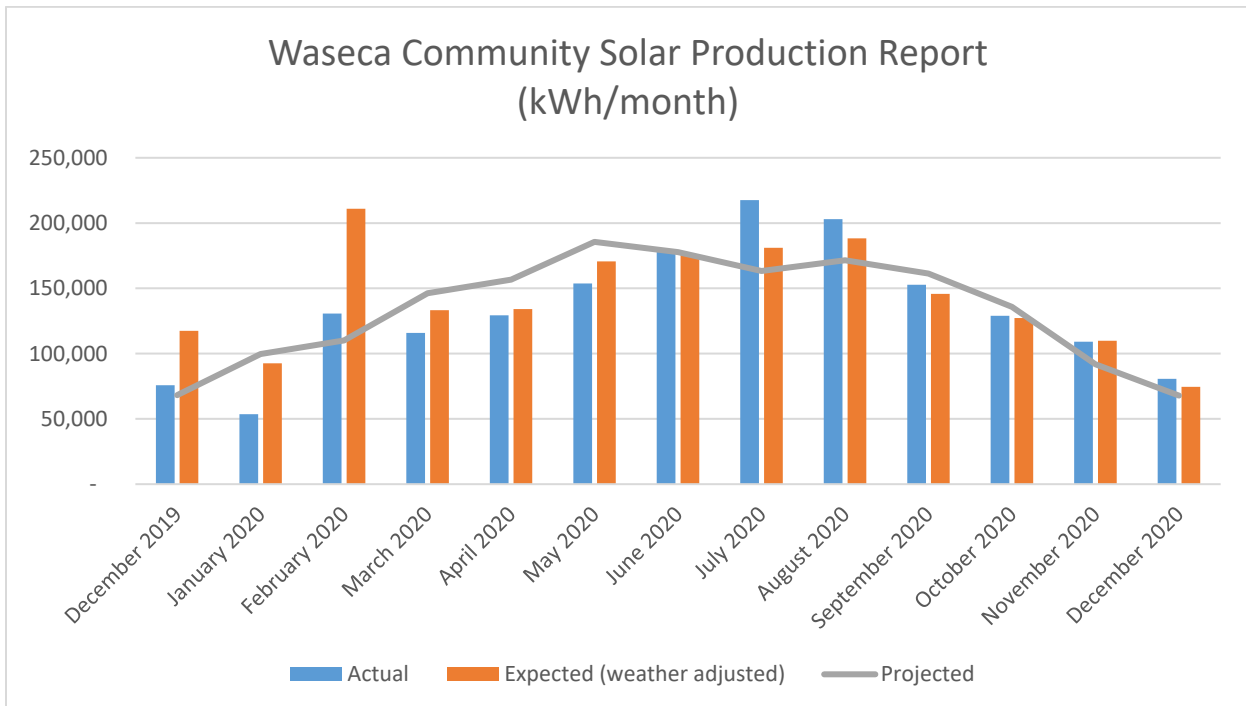


Waseca Project Production	
Month / Year	kWh
December 2019	75,844
January 2020	53,583
February 2020	130,694
March 2020	115,810
April 2020	129,368
May 2020	153,714
June 2020	179,583
July 2020	217,583
August 2020	202,980
September 2020	152,736
October 2020	128,920
November 2020	109,132
December 2020	80,737
TOTAL	1,730,684

2019-2020 Key Performance Metrics		
Weather-adjusted performance	2020 sunshine vs. average year	Actual Energy vs. Projected
93.0%	107.2%	99.7%

The Waseca project had a sunnier year than average, but nevertheless came in just under 100% of projected annual production due to some higher than normal snow coverage during December 2019 through March 2020. The project also experienced two 7.5 day shutdowns, one in March and one in April, due to Xcel Energy work on the local electric grid. Other than the snow cover and shutdown periods, the project outperformed weather-adjusted expectations.

Total Dec. 2019 through 2020 Bill Credit Benefit for 129 subscribers: \$255,707.55



Cooperative and Project Financials:

As a member-owned business, CEF is committed to transparency in co-op operations and how money flows through our organization to sustain our clean energy projects and build wealth for members and their communities. Like any other business, CEF and its projects bring in revenue that must cover our expenses and allow us to meet our financing obligations, both repayment of loans and returns to holders of equity. Our key differences as a cooperative:

1. We invite our members to participate as investors for as much of our capital as possible
2. After expenses and financing costs, profits are returned to members based on their use of the co-op, rather than accumulating to the benefit of a business owner or shareholders.

Because CEF develops solar projects alongside an investor partner that can use federal tax credits, our financial operations take place on two separate levels covered in this report:

- **The project level**, where projects receive income from subscriber’s payments, expenses to maintain and operate our solar arrays are paid, financing costs and equity returns are paid, and any remaining project profits are divided between CEF and the investor partner.
- **The cooperative level**, where CEF receives income through contracts to operate each of the projects and its share of profits from the projects and uses that income to pay staff salaries and other operating expenses, invest in future clean energy solutions to benefit our members, and distribute any remaining cooperative profits back to members.

Member-Sourced Capital Through Preferred Stock (cooperative level):

CEF member-owners have the opportunity to invest in Cooperative Energy Futures Preferred Stock. As of the close of CEF’s second Minnesota Preferred Stock offering on March 31st, 2021, CEF had secured Preferred Stock investments of:

Round	Timeframe Offered	Total Investments	Dividends Paid
Class A (Minnesota)	April 7-December 31, 2017	\$501,000	8% dividend paid on 2018, 2019, and 2020 revenue (paid early the following years)
Class A-1 (Minnesota)	March 18 th , 2019- March 31 st , 2021	\$1,021,000 (\$521,500 by 3/31/2020)	6% dividend paid on 2020 revenue in early 2021 for those who invested by 3/31/2020.
Class B (Interstate)	June 10 th , 2019 – Sept. 30 th , 2020	\$153,000	6% dividend paid on 2020 revenue in early 2021.
Total		\$1,675,000	

Preferred Stock investments have been used as follows:

CEF Equity Investment in eight existing projects:	\$1,056,813.00
CEF Loans to eight existing projects due for repayment to CEF:	\$176,673.38
Current Development Expenses convertible to CEF equity in new projects:	\$146,897.37
Capital available for upcoming Development Expenses in new projects:	\$294,616.25
TOTAL:	\$1,675,000.00

Other Capital Obligations Held by Cooperative Energy Futures (cooperative level):

- CEF holds a \$276,700 working capital loan from RSF Social Finance to cover the refundable application deposits for the Eden Prairie, Clara City, and Chisago community solar gardens. This loan is due upon CEF's receipt of the refunded application deposit.
- CEF holds a \$94,845 working capital loan from Shared Capital Cooperative to cover the refundable application deposit for the Midtown community solar garden. This loan is due upon CEF's receipt of the refunded application deposit.
- CEF holds a \$200,000 working capital loan from the People's Solar Energy Fund to enable early stage development expenses of the upcoming set of community solar projects. This loan is due upon receipt of long-term project financing.

Usage of Project Operating Cash (project level):

Project revenue from subscription payments is paid to the individual project companies for each solar garden, and are used to cover the following obligations in order:

1. **Operating Expenses:** including lease payments, project insurance, payments to Operations and Maintenance providers, and payments to Cooperative Energy Futures to manage the project and support and replace subscribers.
2. **Debt Service:** paying down interest and principal on long-term project debt
3. **Tax Investor Priority Return:** Each year, the tax investor must be paid a priority return of roughly 2% of their original investment (varies by project).
4. **CEF Loan Repayments:** Any cash advances that CEF has made to the project companies to cover operating cost shortfalls must be repaid with interest.
5. **Payments of Deferred Developer Fee:** Based on any Deferred Developer Fees that remain owed.
6. **Distributions to CEF and the Investor:** 90% to CEF and 10% to the Investor Member.

Sources of Income and Cash Flow for Cooperative Energy Futures (cooperative level):

CEF received the following sources of income (and repayments of previous income that contribute to cash flow) to enable its ongoing operations:

- **Subscription Management Agreements:** These are contractual payments paid as project operating expenses paid to CEF to manage each solar garden. In 2020, these payments totaled \$105,240.41, and we anticipate these fees will total ~ \$115,000/yr going forward.
- **Repayments of CEF Loans:** To cover early operational costs before projects began producing energy, CEF loaned funds to project companies. \$377,725.72 remained in outstanding principal due at the end of 2020, which will be repaid over the coming years.
- **Deferred Developer Fees:** CEF is still owed over \$666,597.38 in Deferred Developer fees, which are payable out of project revenue over the coming 5 years.
- **Distributions from Project Companies:** While expected to be minimal during the next several years as repayments of CEF loans and Deferred Developer Fees are made using most of remaining income, in the long run, CEF will receive 90% of the net cash of the project companies as annual distributions.

In addition to cash flow from community solar projects, CEF generates limited additional income through sales of efficiency project and commissions of residential and small commercial solar installations but these are generally minimal.

Uses of Cooperative Energy Futures Income and Cash Flow (cooperative level):

Cash flow received by Cooperative Energy Futures is to cover the following obligations in order:

1. **Operating Expenses:** including salaries and benefits, office expenses, legal, insurance, subscriber management software, and other standard operating expenses.
2. **Any Debt Service at the Cooperative Level:** Currently the co-op holds debt (separate from project debt held by the solar project companies) only on refundable application deposit loans for future solar gardens and makes interest only payments on these loans.
3. **Development Expenses:** including initial site lease payments, Xcel Energy application fees, legal costs, permitting costs, and engineering costs needed to prepare future solar projects for financing. These expenses are usually included as part of CEF's equity contribution into future projects for projects that move forward.
4. **Preferred Stock Dividends/ Eventual Redemption:** Paying annual dividends to Preferred Stock holders. Starting about 5 years from now, this will also include redeeming the original value of Preferred Stock investments depending on co-op position and investor needs for stock redemption.
5. **Operating Reserves:** Retained earnings to enable ongoing operations and manage variability in income and expenses.
6. **Distributions to Members:** Paying cash and equity to members based on their share of cooperative business.

How to Read Our Financial Reports:

Appendix A includes detailed financial reports for Cooperative Energy Futures (the cooperative level), as well as a summarized financial report for activities at the project level. The project level reports include columns for CEF Shiloh Community Solar, LLC (the Shiloh project), items that are exclusive to CEF Holdco 1, LLC as an entity, items that are exclusive to each of the 7 project companies within CEF Holdco 1, LLC, and a sum total for CEF Holdco 1, LLC. This total column includes the CEF Holdco-specific items as well as all of the items for the 7 project companies it owns, but does not include the total for the Shiloh project because CEF Shiloh Community Solar, LLC is owned separately from the other 7 project companies.

Each level (the Cooperative Energy Futures financials and the project financials) includes:

- A Profit and Loss Sheet, which shows all of the sources of income and expenses for the company over the course of 2019 (January 1-December 31 2019). This does not include any starting balances or financing or capital transactions that affect cash flow.
- A Balance Sheet, which shows the Assets, Liabilities, and Equity for the company as of December 31st, 2019. This provides a clear snapshot of the cash position and long-term liabilities and long-term assets as of the end of the year.

Most projects (except Faribault) produced energy all year, resulting in positive net operating income for all of CEF's community solar gardens. Depreciation and Amortization expenses push the book net income negative in most cases. The project companies are still paying off initial financing and start-up expenses, which will be repaid over the next few years. Otherwise, the 2020 financial performance generally reflects expected performance over the coming years.

In general, you should expect all solar project revenues, operating expenses, and debt service paying off solar projects to show up on the project level financials. You should expect all staff, organizational operating expenses, and expenses related to developing new projects and new cooperative business opportunities to show up on the cooperative level financials.

Glossary of Financial Statement Terms:

- **Accounts Payable** reflects amounts that the company owes and expects to have to pay.
- **Accounts Receivable** reflects amounts owed to the company that we expect to receive.
- **Construction Payables** are amounts still owed to installation contractors for solar garden construction contracts that are not yet fully completed.
- **Current Assets** are either already cash or expected to be converted to cash within 1 year.
- **Deferred Developer Fee** is the portion of the fees due to CEF for developing solar projects that is not paid prior to construction but instead over the subsequent years based on project performance. The full amount is listed as a liability for the project companies, and as both a receivable and a liability (because some portion may not be paid) for CEF.
- **Energy Property and Land Improvements Minus Accumulated Depreciation** is the outstanding value of the solar array and other physical infrastructure built in the construction of the solar garden minus the annual reduction in this value as it ages.
- **Interest Reserve/ Escrow Funds** are reserves required by either financing agreements of county permitting agencies to hold funds in a special account either for operating losses or future decommissioning obligations.
- **K-1 Earnings** are profit distributions of taxable income from project companies. K-1 refers to an IRS form used to report the earnings of each partner in a partnership, in this case, the project companies that own community solar projects.
- **Lease Assets and Interconnection Assets Minus Accumulated Depreciation** are the outstanding value of the lease agreements and Interconnection agreements held by each solar garden minus the annual reduction in this value as it ages.
- **Long-Term Assets** are physical property or other receivables expected to be converted to cash over longer than a year.
- **Long-Term Debt Service** is the outstanding liabilities of debt held on solar projects.
- **Membership Stock** is the value of members' \$25 ownership shares in CEF.
- **Preferred Stock** is the value of members' voluntary purchases of Class A or B stock.
- **Preferred Stock Dividends** are annual dividend payments to holders of Preferred Stock
- **Prepaid Expenses** are assets because they will be owed but we have already paid for.
- **Subscription Deposits** are the value of upfront subscription payments that are theoretically at risk (the portion, which declines each year as projects age) that would be repaid to upfront subscribers who cancelled.

Cooperative Energy Futures

PROFIT AND LOSS

January - December 2020

	CEF	TOTAL
Income		
40000 Product Sales	29.70	\$29.70
44000 Developer Fee	580,531.78	\$580,531.78
44010 Def Developer Fee	126,420.93	\$126,420.93
44020 Subscriber Management	105,549.41	\$105,549.41
49100 Consulting Fee Income	12,942.56	\$12,942.56
49200 User Fee Income	8,600.00	\$8,600.00
49999 Miscellaneous Income	696.00	\$696.00
Total Income	\$834,770.38	\$834,770.38
GROSS PROFIT		
	\$834,770.38	\$834,770.38
Expenses		
51000 Subscriber Acquisition	129,981.40	\$129,981.40
55000 Refundable Deposit Loan Interest Expense	10,830.39	\$10,830.39
55100 Loan Fees	250.00	\$250.00
55650 Interest on Note Payable to CEF Holdco	3,484.40	\$3,484.40
56000 Governmental Fees (Development)	15.00	\$15.00
58200 Consulting Fees	2,500.00	\$2,500.00
58300 Legal Fees (Development)	3,822.50	\$3,822.50
60000 Rent Expense	2,805.31	\$2,805.31
61000 Utilities	-1,090.04	\$ -1,090.04
62000 Insurance Expense	7,901.04	\$7,901.04
64000 Computer and Internet Expenses	16,458.58	\$16,458.58
64400 Phones	2,817.69	\$2,817.69
65000 Office Supplies	3,217.78	\$3,217.78
70000 Professional Fees	710.00	\$710.00
70100 Accountant Fees	23,440.80	\$23,440.80
70200 Legal Fees	5,779.00	\$5,779.00
71000 Salaries and Wages	162,135.06	\$162,135.06
71010 Payroll Tax Expense	12,937.06	\$12,937.06
71020 Health Benefits	19,191.60	\$19,191.60
71030 HSA Contributions	36.00	\$36.00
72000 Advertising and Promotion	7,955.92	\$7,955.92
74000 Transportation	43.32	\$43.32
74100 Parking Meter Fees	4.50	\$4.50
76000 Bank Service Charges	5,967.24	\$5,967.24
76100 Paypal Fees	76.22	\$76.22
78000 Federal Taxes	17,750.00	\$17,750.00
78100 State Taxes	8,599.54	\$8,599.54
79999 Miscellaneous Expense	1,020.40	\$1,020.40
Total Expenses	\$448,640.71	\$448,640.71
NET OPERATING INCOME		
	\$386,129.67	\$386,129.67
Other Income		
16010 Interest income	0.04	\$0.04

Cooperative Energy Futures

PROFIT AND LOSS

January - December 2020

	CEF	TOTAL
80100 Interest Income - Promissory Note from CEF Holdco	118,646.44	\$118,646.44
Total Other Income	\$118,646.48	\$118,646.48
NET OTHER INCOME	\$118,646.48	\$118,646.48
NET INCOME	\$504,776.15	\$504,776.15

Cooperative Energy Futures

BALANCE SHEET

As of December 31, 2020

	CEF	TOTAL
ASSETS		
Current Assets		
Bank Accounts		
10100 *9162 CEF Checking	7,843.06	\$7,843.06
11000 Bremer Savings - CEF	300.72	\$300.72
11110 Arizona Bank and Trust	99,949.39	\$99,949.39
12000 Petty Cash	213.52	\$213.52
12100 Paypal	1,797.75	\$1,797.75
12999 Cash Account Balances by Class	1,980.57	\$1,980.57
Total Bank Accounts	\$112,085.01	\$112,085.01
Accounts Receivable		
15000 Accounts Receivable	28,511.96	\$28,511.96
Total Accounts Receivable	\$28,511.96	\$28,511.96
Other Current Assets		
15100 Employee Loan	3,750.00	\$3,750.00
15375 Receivable from Shiloh	1,497.08	\$1,497.08
16300 Stocks Owned by Coop	500.00	\$500.00
17000 Inventory Asset	1,891.90	\$1,891.90
19000 Prepaid Expenditures	4,304.44	\$4,304.44
19100 Future Sites		\$0.00
19105 Future Sites - Site Leases	6,000.00	\$6,000.00
19110 Future Sites - Legal	18,707.50	\$18,707.50
19115 Future Sites - Interconnection	13,172.00	\$13,172.00
19120 Future Sites - Other Professional Fees	2,985.00	\$2,985.00
19125 Future Sites - Bank Fees	2,500.00	\$2,500.00
19130 Future Sites - Permits and Fees	2,496.00	\$2,496.00
19135 Future Sites - Owner Supplied Materials	7,500.00	\$7,500.00
Total 19100 Future Sites	53,360.50	\$53,360.50
Total Other Current Assets	\$65,303.92	\$65,303.92
Total Current Assets	\$205,900.89	\$205,900.89
Fixed Assets		
17000 Subscriber Management System	9,888.75	\$9,888.75
Total Fixed Assets	\$9,888.75	\$9,888.75
Other Assets		
15500 Long Term Receivables		\$0.00
15501 Receivable from CEF Holdco (Co-op)	0.00	\$0.00
15502 Receivable from Edina, LLC	974.93	\$974.93
15503 Receivable from Faribault, LLC	1,922.65	\$1,922.65
15504 Receivable from Haven, LLC	1,991.32	\$1,991.32
15505 Receivable from PAX Christi, LLC	291.57	\$291.57
15506 Receivable from Ramp, LLC	2,012.08	\$2,012.08
15507 Receivable from Waseca, LLC	1,991.32	\$1,991.32
15508 Receivable from Clarks Grove, LLC	486.39	\$486.39

Cooperative Energy Futures

BALANCE SHEET

As of December 31, 2020

	CEF	TOTAL
Total 15501 Receivable from CEF Holdco (Co-op)	9,670.26	\$9,670.26
Total 15500 Long Term Receivables	9,670.26	\$9,670.26
15520 Deferred Developer Fee Receivable	566,597.38	\$566,597.38
17800 Promissory Note from CEF Holdco	337,060.43	\$337,060.43
17801 Accrued Interest - Promissory Note from CEF Holdco	40,665.29	\$40,665.29
Total 17800 Promissory Note from CEF Holdco	377,725.72	\$377,725.72
19955 Investment in Shiloh - K1 Earnings	-4,491.00	\$ -4,491.00
19960 Investment in CEF Holdco	1,056,813.00	\$1,056,813.00
19965 Investment in CEF Holdco - K1 Earnings	-90,800.00	\$ -90,800.00
Total Other Assets	\$1,915,515.36	\$1,915,515.36
TOTAL ASSETS	\$2,131,305.00	\$2,131,305.00
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20000 Accounts Payable	54,399.27	\$54,399.27
Total Accounts Payable	\$54,399.27	\$54,399.27
Other Current Liabilities		
23200 PPP Loan Payable	32,500.00	\$32,500.00
26000 Accrued Payroll Expenses	27,513.73	\$27,513.73
Total Other Current Liabilities	\$60,013.73	\$60,013.73
Total Current Liabilities	\$114,413.00	\$114,413.00
Long-Term Liabilities		
25310 Deferred Developer Fee	566,597.38	\$566,597.38
Total Long-Term Liabilities	\$566,597.38	\$566,597.38
Total Liabilities	\$681,010.38	\$681,010.38
Equity		
30000 Membership Stock	22,200.00	\$22,200.00
31000 Preferred Stock	1,237,100.00	\$1,237,100.00
31100 Preferred Stock Dividends	-80,135.00	\$ -80,135.00
39000 Retained Earnings	-233,646.53	\$ -233,646.53
Net Income	504,776.15	\$504,776.15
Total Equity	\$1,450,294.62	\$1,450,294.62
TOTAL LIABILITIES AND EQUITY	\$2,131,305.00	\$2,131,305.00

2020 Project Companies Profit & Loss

	Shiloh	CEF Holdco	Edina	Clarks Grove	Pax Christi	Haven	Ramp A	Waseca	Faribault	Total CEF Holdco
Income										
Payments from Pay-go										
Subscribers	\$ 28,855.53		\$ 104,729.80	\$ 63,851.08	\$ 29,280.05	\$ 239,376.15	\$ 207,816.07	\$ 224,010.97	\$ 150,743.91	\$ 1,019,808.03
Annual Dues from										
Upfront Subscribers	\$ 2,448.00				\$ 1,191.00	\$ 2,478.00	\$ 5,550.00	\$ 156.00	\$ 636.00	\$ 10,011.00
Delay Settlement						\$ 19,650.25		\$ 3,192.44	\$ 48,885.15	\$ 71,727.84
Unsubscribed Energy										
Payments from Xcel	\$ 0.19								\$ 10,387.85	\$ 10,387.85
TOTAL INCOME:	\$ 31,303.72	\$ -	\$ 104,729.80	\$ 63,851.08	\$ 30,471.05	\$ 261,504.40	\$ 213,366.07	\$ 227,359.41	\$ 210,652.91	\$ 1,111,934.72
Expenses										
Operating Expenses										
(maintenance, management, etc.)	\$ 650.08		\$ 4,347.27	\$ (1,162.19)	\$ (1,184.38)	\$ 11,446.22	\$ (1,273.66)	\$ 11,721.92	\$ 8,200.83	\$ 32,096.01
Site Lease, Insurance, and Utilities	\$ 2,609.60		\$ 13,872.74	\$ 6,696.22	\$ 3,319.39	\$ 16,981.62	\$ 16,909.17	\$ 16,505.85	\$ 14,799.24	\$ 89,084.23
Subscription										
Management Payments to CEF			\$ 11,253.88	\$ 5,588.42	\$ 3,355.11	\$ 22,875.00	\$ 23,005.25	\$ 22,761.75	\$ 16,401.00	\$ 105,240.41
Interest (Debt and deposits)	\$ 8,614.01	\$ 74,928.22	\$ 39,224.19	\$ 19,573.60	\$ 18,842.04	\$ 99,698.56	\$ 93,616.59	\$ 92,273.13	\$ 75,868.77	\$ 514,025.10
Administrative (taxes, legal, bank, etc.)	\$ 1,785.50	\$ 29,250.00	\$ 3,186.95	\$ 1,757.42	\$ 960.09	\$ 9,876.38	\$ 7,046.41	\$ 8,142.37	\$ 11,107.56	\$ 71,327.18
Bad Debt			\$ 521.83					\$ 352.66	\$ 16,997.62	
TOTAL EXPENSES	\$ 13,659.19	\$ 104,178.22	\$ 72,406.86	\$ 32,453.47	\$ 25,292.25	\$ 160,877.78	\$ 139,303.76	\$ 151,757.68	\$ 143,375.02	\$ 829,645.04
NET OPERATING INCOME										
	\$ 17,644.53	\$ (104,178.22)	\$ 32,322.94	\$ 31,397.61	\$ 5,178.80	\$ 100,626.62	\$ 74,062.31	\$ 75,601.73	\$ 67,277.89	\$ 282,289.68
Depreciation, Amortization, net other expenses	\$ 24,649.20	\$ 23,786.00	\$ 65,217.79	\$ 30,341.68	\$ 22,596.79	\$ 108,878.66	\$ 185,977.53	\$ 120,259.66	\$ 92,177.65	\$ 649,235.76
NET INCOME	\$ (7,004.67)	\$ (127,964.22)	\$ (32,894.85)	\$ 1,055.93	\$ (17,417.99)	\$ (8,252.04)	\$ (111,915.22)	\$ (44,657.93)	\$ (24,899.76)	\$ (366,946.08)

12/31/2020 Project Companies Balance Sheet

	Shiloh	CEF Holdco	Edina	Clarks Grove	Pax Christi	Haven	Ramp A	Waseca	Faribault	Total CEF Holdco
Assets										
Bank Accounts	\$ 3,165.72	\$ 3,268.74	\$ 28,580.86	\$ 15,770.95	\$ 4,006.16	\$ 48,947.20	\$ 29,627.01	\$ 49,348.88	\$ 34,959.66	\$ 214,509.46
Interest Reserves/ Escrow Funds	\$ 15,435.98	\$ 141,849.57				\$ 25,000.00		\$ 35,000.00	\$ 50,175.73	\$ 252,025.30
Accounts Receivable	\$ 1,558.65		\$ 3,011.98	\$ 4,313.10	\$ 531.92	\$ 21,466.94	\$ 11,658.59	\$ 17,915.73	\$ 14,018.50	\$ 72,916.76
Receivable from other LLCs	\$ (1,800.00)	\$ 8,150.43	\$ 14,054.04	\$ 21,822.28	\$ (4,091.93)	\$ 48,967.49	\$ (11,480.02)	\$ (13,328.37)	\$ (62,293.92)	\$ 1,800.00
Xcel Refunds Receivable									\$ 6,826.61	\$ 6,826.61
Prepaid Expenditures	\$ 505.76		\$ 1,641.28	\$ 818.84	\$ 490.85	\$ 3,352.38	3387.31	\$ 3,352.37	\$ 3,236.81	\$ 16,279.84
Total Current Assets	\$ 18,866.11	\$ 153,268.74	\$ 47,288.16	\$ 42,725.17	\$ 937.00	\$ 147,734.01	\$ 33,192.89	\$ 92,288.61	\$ 46,923.39	\$ 564,357.97
Energy Property and Land										
Improvements minus Accumulated Depreciation	\$ 554,607.00		\$ 1,278,220.33	\$ 697,014.90	\$ 423,345.42	\$ 2,287,499.81	\$ 4,081,352.40	\$ 2,520,941.24	\$ 2,509,334.18	\$ 13,797,708.28
Lease Assets and Interconnection Assets minus Accumulated Depreciation			\$ 246,479.86	\$ 103,899.79	\$ 95,398.04	\$ 200,932.21	\$ 226,391.91	\$ 271,501.64	\$ 661,794.30	\$ 1,806,397.75
Other Fixed Assets		\$ 21,803.73								\$ 21,803.73
Total Long-Term Assets	\$ 554,607.00	\$ 21,803.73	\$ 1,524,700.19	\$ 800,914.69	\$ 518,743.46	\$ 2,488,432.02	\$ 4,307,744.31	\$ 2,792,442.88	\$ 3,171,128.48	\$ 15,625,909.76
TOTAL ASSETS:	\$ 573,473.11	\$ 175,072.47	\$ 1,571,988.35	\$ 843,639.86	\$ 519,680.46	\$ 2,636,166.03	\$ 4,340,937.20	\$ 2,884,731.49	\$ 3,218,051.87	\$ 16,190,267.73
Liabilities										
Accounts Payable			\$ 2,904.94	\$ 1,480.28	\$ 894.94	\$ 5,952.91	\$ 6,049.10	\$ 5,963.48	\$ 5,467.00	\$ 28,712.65
Construction Payables			\$ 5,825.00	\$ 5,825.00	\$ 5,825.00	\$ 3,221.00	\$ 5,825.00	\$ 3,053.00	\$ 2,860.00	\$ 32,434.00
Accrued Interest - Long Term Debt			\$ 9,467.39	\$ 4,724.30	\$ 2,836.46	\$ 19,338.64	\$ 19,545.27	\$ 19,338.64	\$ 18,671.79	\$ 93,922.49
Total Current Liabilities	\$ -	\$ -	\$ 18,197.33	\$ 12,029.58	\$ 9,556.40	\$ 28,512.55	\$ 31,419.37	\$ 28,355.12	\$ 26,998.79	\$ 155,069.14
Long-Term Debt Service	\$ 179,814.28		\$ 760,616.25	\$ 379,465.08	\$ 227,466.07	\$ 1,553,579.69	\$ 1,569,769.32	\$ 1,553,579.69	\$ 1,500,007.97	\$ 7,544,484.07
Finance Fees and Accumulated Depreciation			\$ (9,923.94)	\$ (4,951.57)	\$ (3,556.10)	\$ (20,271.57)	\$ (20,482.12)	\$ (20,271.57)	\$ (19,572.14)	\$ (99,029.01)
Deferred CEF Developer Fee	\$ 100,000.00	\$ 566,597.38								\$ 566,597.38
Subscription Deposits	\$ 86,334.00				\$ 142,360.57	\$ 183,812.46	\$ 452,532.69	\$ 10,548.46	\$ 43,739.98	\$ 832,994.16
Payable to Cooperative Energy Futures	\$ 3,251.58		\$ 974.93	\$ 486.39	\$ 291.57	\$ 1,991.32	\$ 2,012.08	\$ 1,991.32	\$ 1,922.65	\$ 9,670.26
Promissory Note to CEF		\$ 166,716.84			\$ 18,588.93	\$ 53,856.68	\$ 10,254.86	\$ 52,843.49	\$ 75,464.92	\$ 377,725.72
Lease Liabilities			\$ 142,026.33	\$ 54,981.01	\$ 14,562.71	\$ 120,447.10	\$ 95,993.62	\$ 116,163.16	\$ 104,610.96	\$ 648,784.89
Total Long-Term Liabilities	\$ 369,399.86	\$ 733,314.22	\$ 893,693.57	\$ 429,980.91	\$ 399,713.75	\$ 1,893,415.68	\$ 2,110,080.45	\$ 1,714,854.55	\$ 1,706,174.34	\$ 9,881,227.47
TOTAL LIABILITIES:	\$ 369,399.86	\$ 733,314.22	\$ 911,890.90	\$ 442,010.49	\$ 409,270.15	\$ 1,921,928.23	\$ 2,141,499.82	\$ 1,743,209.67	\$ 1,733,173.13	\$ 10,036,296.61
Equity										
Investor Equity	\$ 167,715.49	\$ (411,458.15)	\$ 683,107.37	\$ 386,705.76	\$ 117,192.26	\$ 635,884.25	\$ 2,268,956.54	\$ 1,054,724.84	\$ 1,390,235.69	\$ 6,125,348.56
Investor Priority Return		\$ (182,856.76)								\$ (182,856.76)
Cooperative Energy Futures Equity		\$ 306,465.84	75105.9	\$ 37,469.87	\$ 22,461.58	\$ 156,010.07	\$ 155,005.46	\$ 156,178.08	\$ 148,116.20	\$ 1,056,813.00
Retained Earnings	\$ 43,362.43	\$ (46,428.46)	\$ (65,220.97)	\$ (23,602.19)	\$ (11,825.54)	\$ (69,404.48)	\$ (112,609.40)	\$ (24,723.17)	\$ (28,573.39)	\$ (382,387.60)
Net Income/ Syndication Costs	\$ (7,004.67)	\$ (223,964.22)	\$ (32,894.85)	\$ 1,055.93	\$ (17,417.99)	\$ (8,252.04)	\$ (111,915.22)	\$ (44,657.93)	\$ (24,899.76)	\$ (462,946.08)
TOTAL EQUITY	\$ 204,073.25	\$ (558,241.75)	\$ 660,097.45	\$ 401,629.37	\$ 110,410.31	\$ 714,237.80	\$ 2,199,437.38	\$ 1,141,521.82	\$ 1,484,878.74	\$ 6,153,971.12
TOTAL LIABILITIES AND EQUITY	\$ 573,473.11	\$ 175,072.47	\$ 1,571,988.35	\$ 843,639.86	\$ 519,680.46	\$ 2,636,166.03	\$ 4,340,937.20	\$ 2,884,731.49	\$ 3,218,051.87	\$ 16,190,267.73