

Financial Report

(Unaudited)

December 31, 2022

Garfield Clean Energy Collaborative
Financial Report
December 31, 2022
(Unaudited)

Table of Contents

	Page
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	A1 – A2
Management's Discussion and Analysis	B1 – B3
Government-wide Financial Statements:	
Statement of Net Position – Governmental Activities	C1
Statement of Activities – Governmental Activities	C2
Fund Financial Statements:	
Balance Sheet – General Fund	C3
Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund	C4
Notes to the Financial Statements	D1 – D7
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – General Fund	E1

McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

Chapel Square, Bldg C
245 Chapel Place, Suite 300
P.O. Box 5850, Avon, CO 81620

Web Site: www.mcmahancpa.com
Main Office: (970) 845-8800
Facsimile: (970) 845-8108
E-mail: mcmahan@mcmahancpa.com

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Garfield Clean Energy Collaborative
Carbondale, Colorado

We have reviewed the accompanying financial statements of the governmental activities and the General Fund of Garfield Clean Energy Collaborative ("GCE"), as of and for the year ended December 31, 2022, which collectively comprises GCE's basic financial statements as listed in the table of contents, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the GCE's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of GCE and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economical, or historical context. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and, accordingly, we do not express any assurance on it.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to it.

McMahan and Associates, L.L.C.

McMahan and Associates, LLC
Avon, Colorado
December 16, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Garfield Clean Energy Collaborative

Management's Discussion and Analysis
December 31, 2022

As management of Garfield Clean Energy Collaborative ("GCE"), we offer readers of GCE's financial statements this narrative introduction, overview and analysis of the financial activities of GCE for the fiscal year ended December 31, 2022.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to GCE's basic financial statements. GCE's basic financial statements consist of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of GCE's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all GCE's assets and liabilities with the difference between the amounts reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of GCE is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that result in cash flows in prior or future fiscal periods.

The governmental activity of GCE is primarily program coordination, coaching, education, marketing, and training through various programs, as well as coordination of the intergovernmental authority. These efforts are designed to create a more energy independent, energy secure, thriving and stable economy. The government-wide financial statements can be found on pages C1 and C2 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. GCE, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. GCE currently has one fund, the General Fund, which is a governmental fund.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The fund financial statements are located on pages C3 and C4 of this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Normally, a reconciliation is presented to reconcile the fund balances of the governmental funds to the net position as reported in the government-wide financial statements and an additional reconciliation is presented reconciling the net change in fund balances of the governmental funds to the change in net position of the governmental activities. These reconciliations can be useful to facilitate the comparison between governmental funds and governmental activities as reported in the government-wide financial statements. However, in GCE's case in 2020, there are no long-term assets or liabilities; therefore, the government-wide and fund statements report the same information, and no reconciliation is necessary.

Overview of the Financial Statements (continued)

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages D1 – D7 of this report.

Government-wide Financial Analysis: Condensed financial data provides an overview of GCE's financial statements and provides the context for a better understanding of the basic financial statements. The following table shows GCE's condensed government-wide comparative financial data for the governmental activities for the current and prior fiscal years. GCE had no business-type activities during 2021.

	2022	2021
Assets		
Current assets	$ 184,962	$ 161,583
Total Assets	184,962	161,583
Liabilities:		
Current liabilities	5,031	19,108
Total Liabilities	5,031	19,108
Net Position:		
Unrestricted	179,931	142,475
Total Net Position	$ 179,931	$ 142,475
Revenues:		
Grants	$ 160,000	$ 90,130
Partnership funding	307,500	297,500
Repurpose RLF	118,584	-
Total Revenues	586,084	387,630
Expenses:		
Programs	464,141	396,571
Partnership Services	84,487	80,491
Total Expenses	548,628	477,062
Change in Net Position	37,456	(89,432)
Net Position - Beginning	142,475	231,907
Net Position - Ending	$ 179,931	$ 142,475

Overall Analysis

GCE's overall financial position, as measured by total net position, increased by $37,456 during 2022. This increase is mainly due to the repurpose of RLF revenues in 2022.

Financial Analysis of GCE's Funds

GCE uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A discussion of GCE's funds follows.

Governmental Funds: The focus of GCE's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing GCE's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, GCE's governmental fund reported an ending fund balance of $179,931.

Budget Variances in GCE's General Fund

This discussion refers to the "Schedule of Revenues, Expenditures and Changes in Fund Balance" table on page E1 of this document and will cover budget variances.

During 2022, GCE received $118,584 from the Department of Energy in repurposed Revolving Loan Funds.

Expenditures were under budget by $33,872 in 2022. Expenditures were primarily over budget due to credit reserve activity that was originally not anticipated to occur.

Comparative Information and Analysis

Garfield Clean Energy's actual expenditures totaled $548,628 in 2022 compared to $477,062 in 2021. GCE ended 2022 with fund balance of $179,931, compared to $142,475 at the end of 2021.

Next Year's Budget

Looking forward to 2023, Garfield Clean Energy anticipates a budget lower than 2022 due to increases in partnership funding offset by decreases to other funding sources (repurposed funds). Expenditures are budgeted to increase in 2023, partially due to increased renewable energy planning.

Request for Information

This financial report is designed to provide a general overview of GCE's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Garfield Clean Energy Collaborative, P.O. Box 428, Carbondale, Colorado 81623.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Garfield Clean Energy Collaborative
Statement of Net Position
Governmental Activities
December 31, 2022
(Unaudited)

Assets:	
Cash	184,962
Total Assets	184,962
Liabilities:	
Accounts payable	5,031
Total Liabilities	5,031
Net Position:	
Unrestricted	179,931
Total Net Position	179,931

See accompanying notes and Independent Accountant's Review Report.

Garfield Clean Energy Collaborative
Statement of Activities
Governmental Activities
For the Year Ended December 31, 2022
(Unaudited)

	Expenses	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental Activities:			
Countywide Energy Portfolio Diversity	19,195	-	(19,195)
Government Facilities Program	145,062	-	(145,062)
Partnership services	84,487	-	(84,487)
Special projects	18,155	-	(18,155)
Clean mobility	16,650	-	(16,650)
Credit reserve	265,079	-	(265,079)
Total Governmental Activities	548,628	-	(548,628)
General revenues:			
Partnership funding			307,500
Grants and contributions			160,000
Repurpose RLF			118,584
Total general revenues			586,084
Change in Net Position			37,456
Net Position - Beginning			142,475
Net Position - Ending			179,931

See accompanying notes and Independent Accountant's Review Report.

FUND FINANCIAL STATEMENTS

Garfield Clean Energy Collaborative
Balance Sheet
General Fund
December 31, 2022
(Unaudited)

Assets:	
Cash and cash equivalents	184,962
Total Assets	184,962
Liabilities:	
Accounts payable	5,031
Total Liabilities	5,031
Fund Balances:	
Unassigned	179,931
Total Fund Balance	179,931
Total Liabilities and Fund Balance	184,962

See accompanying notes and Independent Accountant's Review Report.

Garfield Clean Energy Collaborative
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the Year Ended December 31, 2022
(Unaudited)

Revenues:	
Grants and contributions	160,000
Partnership funding	307,500
Repurpose Revolving Loan Fund	118,584
Total Revenues	586,084
Expenditures:	
Countywide Energy Portfolio Diversity	19,195
Government Facilities Program	145,062
Partnership services	84,487
Special projects	18,155
Clean mobility	16,650
Credit Reserve	265,079
Total Expenditures	548,628
Excess of Revenues over Expenditures	37,456
Fund Balance, Beginning	142,475
Fund Balance, End	179,931

See accompanying notes and Independent Accountant's Review Report.

NOTES TO THE FINANCIAL STATEMENTS

Garfield Clean Energy Collaborative
Notes to the Financial Statements
December 31, 2022
(Unaudited)

I. Summary of Significant Accounting Policies

The Garfield Clean Energy Collaborative ("GCE") was formed in January 2012 under an intergovernmental agreement between various local governments (the "Partners") in Garfield County, Colorado, to collaborate in creating a more energy independent, energy secure, thriving and stable economy. Partners on December 31, 2022 were as follows:

Garfield County
City of Glenwood Springs
City of Rifle
Town of Carbondale
Roaring Fork Transportation Authority
Town of New Castle
Town of Parachute
Town of Silt
Colorado Mountain College

GCE's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by GCE are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government; i.e., GCE, and (b) organizations for which GCE is financially accountable. GCE is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, GCE. Consideration is also given to other organizations, which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by GCE. Organizations for which the nature and significance of their relationship with GCE are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria above, GCE is not financially accountable for any other entity nor is GCE a component unit of any other government.

B. Government-wide and Fund Financial Statements

GCE's basic financial statements include both government-wide (reporting GCE as a whole) and fund financial statements (reporting GCE's major fund). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. Currently, GCE has only governmental activities.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, the governmental activities column is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide focus is on the sustainability of GCE as an entity and the change in GCE's net position resulting from the current year's activities.

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements

The financial transactions of GCE are reported in an individual fund in the fund financial statements. The fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

GCE reports the following governmental fund:

The *General Fund* is the general operating fund of GCE. It is used to account for all financial resources.

C. Measurement Focus and Basis of Accounting

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements.

1. Long-term Economic Focus and Accrual Basis

Governmental activities in the government-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

D. Restricted Assets

Certain cash balances of the General Fund are classified as restricted because their use is restricted by the provisions of the U.S. Department of Energy Better Buildings grant.

I. Summary of Significant Accounting Policies (continued)

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by GCE because it is at present considered not necessary to assure effective budgetary control or to facilitate effective cash planning and control.

F. Fund Balance

GCE classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority which is the Board of Directors.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Board of Directors or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

GCE uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, GCE first uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

GCE does not have a formal minimum fund balance policy. However, GCE’s budget includes a calculation of a targeted reserve position and management calculates targets and reports them annually to the Board of Directors.

G. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

In the fall of each year, GCE's Board of Directors formally adopts a budget with appropriations by fund for the ensuing year pursuant to the Colorado Local Budget Law. Budgets for governmental funds are adopted on a basis consistent with GAAP.

As required by Colorado statutes GCE follows these procedures in establishing the budgetary data reflected in the financial statements.

(1) On or before October 15, GCE's management submitted to GCE's Board of Directors a recommended budget which detailed the necessary revenues to meet GCE's operating requirements.

(2) After a required publication of "Notice of Proposed Budget" GCE adopted the proposed budget and an appropriating resolution which legally appropriated expenditures for the upcoming year.

(3) After adoption of the budget resolution, GCE may make the following changes: a) supplemental appropriations to the extent of revenues in excess of those estimated in the budget; b) emergency appropriations; and c) reduction of appropriations for which originally estimated revenues are insufficient.

The level of control in the budget at which expenditures exceed appropriations is at the fund level. All appropriations lapse at year end.

B. TABOR Amendment - Revenue and Spending Limitation Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (“TABOR”). TABOR contains revenue, spending, tax and debt limitations which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service) for fiscal years ending after December 31, 1994. Since TABOR excludes grant and contributions from the definition of fiscal year spending, and all GCE’s revenues were from grants and contributions, there was no required reserve at December 31, 2022.

GCE believes it has taken such steps as are appropriate in light of current interpretations of TABOR to comply with its terms. However, TABOR is complex and subject to interpretation. Many of the provisions, including but not limited to, the interpretation of how to calculate fiscal year spending and other limits, will require judicial interpretation.

III. Detailed Notes on All Funds

A. Deposits

The Colorado Public Deposit Protection Act ("PDPA") requires that all units of local government deposit cash in eligible public depositories; eligibility is determined by State regulators. Amounts on deposit in excess of Federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to the aggregate uninsured deposits.

The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2022, GCE's cash deposits had a carrying and bank balance of $187,455.

IV. Other Information

A. Professional Services Agreement with CLEER

GCE entered into a professional services agreement with Clean Energy Economy for the Region ("CLEER"), a Colorado non-profit corporation, to achieve measurable progress on GCE's goals as a means to a stronger, more resilient and energy-secure economy as follows:

- Increase energy efficiency as measured by reducing energy consumption 20% by 2030 over a 2015 baseline.
- Reduce petroleum fuel consumption 25% by 2020 over a 2009 baseline.
- Obtain 35 to 50 percent of electricity from renewable sources by 2030.
- Identify and implement adequate and sustainable funding for GCE, to achieve its mission.

The following program areas serve as the ongoing framework for delivering GCE services:

1. Energy saving programs for governments and schools
2. Residential energy services
3. Commercial energy services
4. Active transportation
5. Efficient vehicles and alternative transportation fuels
6. Renewable energy
7. General partnership services

Each program area will use education and training, and clean energy financing as tools to achieve the goals as set forth in detail in Exhibit A of the agreement.

IV. Other Information (continued)

A. Professional Services Agreement with CLEER (continued)

According to the agreement, CLEER shall be compensated for these professional services in accordance with Exhibit B of the agreement at the rate of $93 per hour for all work. The GCE board approved the 2022 agreement on December 8, 2022.

B. Garfield County Subaward (Better Buildings Financing Program)

On May 11, 2010, the United States Department of Energy (the "DOE") awarded Boulder County an Energy Efficiency Community Block Grant-Competitive grant ("EECBG-C") of $25 million. On October 21, 2010, Boulder County entered into a Subrecipient Agreement with Garfield County through the Board of County Commissioners ("BOCC") for a portion of the EECBG-C funds. On June 20, 2011, the BOCC and Boulder County amended the Subrecipient Agreement to increase the grant award to Garfield County and to amend the BOCC's scope of work known as Amendment No. 1. The additional grant funds awarded by Amendment No. 1 total approximately $600,000 and were used to support energy efficiency programs in Garfield County, known as the "Better Buildings Financing Program."

On August 20, 2012, with the consent of Boulder County, the Garfield BOCC entered into a Subaward Agreement with GCE whereby GCE received $588,333 ($600,000 less $11,667 fees to Colorado Housing and Financing Authority) to fund a Residential Revolving Loan Fund ("RLF") program for $200,000, fund GCE rebates for $70,000, use approximately $15,000 for marketing and administration, and fund the Credit Reserve Fund with the remaining amount. The DOE required a full spend-down of these funds by October 1, 2013. GCE allocated an additional $100,000 to the Residential Revolving Loan Fund, spent $189,911 on rebates, coaching, reporting and long-term sustainability efforts, and reserved $13,087 for reporting work and a loan fund marketing campaign in future years. GCE also agreed to comply and cooperate with all reporting and compliance requirements of the DOE, Boulder County, and the BOCC.

On July 1, 2019 GCE submitted a formal request to the Department of Energy to repurpose $200,000 of the loan fund. The request was granted, and the $200,000 was received by GCE in February 2020.

C. Agreement with EnergySmart Partners, LLC

On September 24, 2012, GCE entered into a 5-year agreement for administering the Better Buildings Financing Program's RLF (see IV.B. above) with EnergySmart Partners, LLC ("ESP"), a wholly owned subsidiary of Funding Partners for Housing Solutions, Inc., a non-profit organization certified by the U.S. Department of the Treasury CDFI, as a community development financial institution ("CDFI").

ESP will provide administration of the RLF as set forth in Exhibit 1 of the agreement and in compliance with other terms of the agreement. ESP will receive compensation of a onetime, non-refundable fee of $25 from each borrower upon submittal of the loans, plus a loan origination fee of $125 at the time of loan settlement. ESP shall receive 2% of all interest paid on each of the loans outstanding. ESP received a onetime payment of $4,500 upon execution of the agreement for implementation of the program.

IV. Other Information (continued)

C. Agreement with EnergySmart Partners, LLC (continued)

Either party may terminate the agreement for cause or convenience. If GCE terminates the agreement for cause (a contract default), GCE shall give written notice of intent to terminate with cause. ESP has 15 days from the receipt of the letter to cure the default. If ESP does not cure the default within 15 days, GCE may make written demand for the delivery of: (a) transfer to a GCE designated third party all sums received by ESP from GCE under the agreement as of the date of said demand, net of loan disbursements pursuant to the agreement, plus interest thereon at the legal rate; (b) all loan documents and all other documentation relating to the administration of the RLF program; (c) all expenses incurred by GCE, including reasonable attorney's fees incurred in recovering said sums and records.

If ESP gives written notice of intent to terminate for cause, and GCE does not cure the default with 15 days, ESP may terminate the agreement by giving written notice to GCE. In addition to other remedies available to it upon default of GCE, ESP is entitled to recover all expenses incurred as a result of the violation, including reasonable attorney's fees incurred in enforcing its rights under the agreement.

If GCE terminates the agreement for convenience, GCE shall give written notice thereof to ESP and pay to ESP documented direct and incidental termination expenses as are mutually agreed upon in an amount not to exceed $2,000. ESP agrees to assist GCE in facilitating the transfer of the administration of the program.

If ESP terminates for convenience, it shall obtain the consent of GCE and give written notice at least 180 days in advance of the effective date thereof, along with the reason(s) for and date of the termination. ESP shall neither be paid nor considered eligible for payment of termination expenses or any damages or loss of profits due to the termination.

GCE funded the RLF with $200,000 on October 17, 2012, and an additional $100,000 on October 15, 2013. On July 1, 2019 GCE submitted a formal request to the Department of Energy to repurpose $200,000 of the loan fund. The request was granted, and the $200,000 was received by GCE in February 2020. As of December 31, 2022, there were no loans outstanding with the RLF. GCE submitted a formal request to the Department of Energy to repurpose $118,584 of these funds to support efficiency programs.

REQUIRED SUPPLEMENTARY INFORMATION

Garfield Clean Energy Collaborative
Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for 2021)

	2022 (Unaudited)			2021 (Unaudited)
	Original and Final Budget	Actual	Budget Variance Positive (Negative)	Actual
Revenues:				
Contributions:				
Grants and contributions	160,000	160,000	-	90,130
Partnership Funding:				
Garfield County	150,000	150,000	-	150,000
City of Glenwood Springs	45,000	45,000	-	45,000
City of Rifle	-	10,000	10,000	-
Town of Carbondale	25,000	25,000	-	25,000
Roaring Fork Transportation Authority	40,000	30,000	(10,000)	30,000
Colorado Mountain College	35,000	35,000	-	35,000
Town of New Castle	7,500	7,500	-	7,500
Town of Parachute	2,000	2,000	-	2,000
Town of Silt	3,000	3,000	-	3,000
Repurpose Revolving Loan Fund	-	118,584	118,584	-
Total Revenues	467,500	586,084	118,584	387,630
Expenditures:				
Commercial Sector:				
Energy coaching and program coordination	-	-	-	29,552
Marketing, outreach, education, training	-	-	-	15,980
Residential Sector:				
Energy coaching and program coordination	-	-	-	52,944
Marketing, outreach, education, training	-	-	-	16,601
Petroleum Independence Project:				
Safe Routes and transportation alternatives	32,000	-	32,000	31,937
Countywide Energy Portfolio Diversification:				
Technical assistance and implementation	10,000	16,894	(6,894)	19,661
Government Facilities Program:				
Energy data management	75,000	95,255	(20,255)	25,276
Active energy management	30,000	49,807	(19,807)	16,838
Partnership Services:				
Administration and grant writing	63,000	70,628	(7,628)	66,412
Legal	3,000	383	2,617	610
Accounting	7,000	5,727	1,273	5,987
Financial review	5,000	5,750	(750)	5,500
CIRSA liability insurance	2,100	1,999	101	1,982
Contingency	2,900	-	2,900	2,192
Renewable Energy Planning:				
Solar mapping	-	-	-	47,070
Web-based tool box	-	-	-	7,553
Streamline solar permitting	-	-	-	5,505
Economic development and transition	-	-	-	13,762
Network coordination and stakeholder engagement	-	-	-	209
Regional baseline inventory	-	-	-	1,658
Implementation of local resources	20,000	2,301	17,699	-
Special Projects:				
Goal 4 implementation	9,500	9,910	(410)	9,402
Develop local energy resources	-	-	-	26,101
Economic development	8,000	8,245	(245)	-
Clean Mobility				
Transportation	-	16,650	(16,650)	-
Credit Reserve:				
Loan fund, rebates, coaching, outreach	315,000	265,079	49,921	74,330
Total Expenditures	582,500	548,628	33,872	477,062
Excess (Deficiency) of Revenues Over Expenditures	(115,000)	37,456	152,456	(89,432)
Fund Balance - Beginning	134,480	142,475	7,995	231,907
Fund Balance - Ending	19,480	179,931	160,451	142,475

See accompanying notes and Independent Accountant's Review Report.