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**Greenbelt Community Solar Annual Report and Financial Statement  
Calendar Year 2013**

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**Issued by Authority of the Management Committee**

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Steve Skolnik, Chair

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Jerry Bonnell, Treasurer



## 1. The Year in Review

**The Array:** The 9-by-10 array of 245-watt panels was installed on the Greenbelt Baptist Church in 2011, each panel fitted with a micro-inverter, for a total of 90 panels and a system size of 22.05 kW. 2013 was the second full year of operation. The modeling of the array projected that it would produce approximately 40% of the church's annual electricity consumption. The actual production of electricity by the array for the entire 2013 calendar year is shown in **Figure 1**. The substantial dip in December was the low point for electricity generation from the snow-covered array. The total electrical energy produced for 2013 was 25.7 MWh (megawatt-hours), compared to 27.4 MWh in 2012.

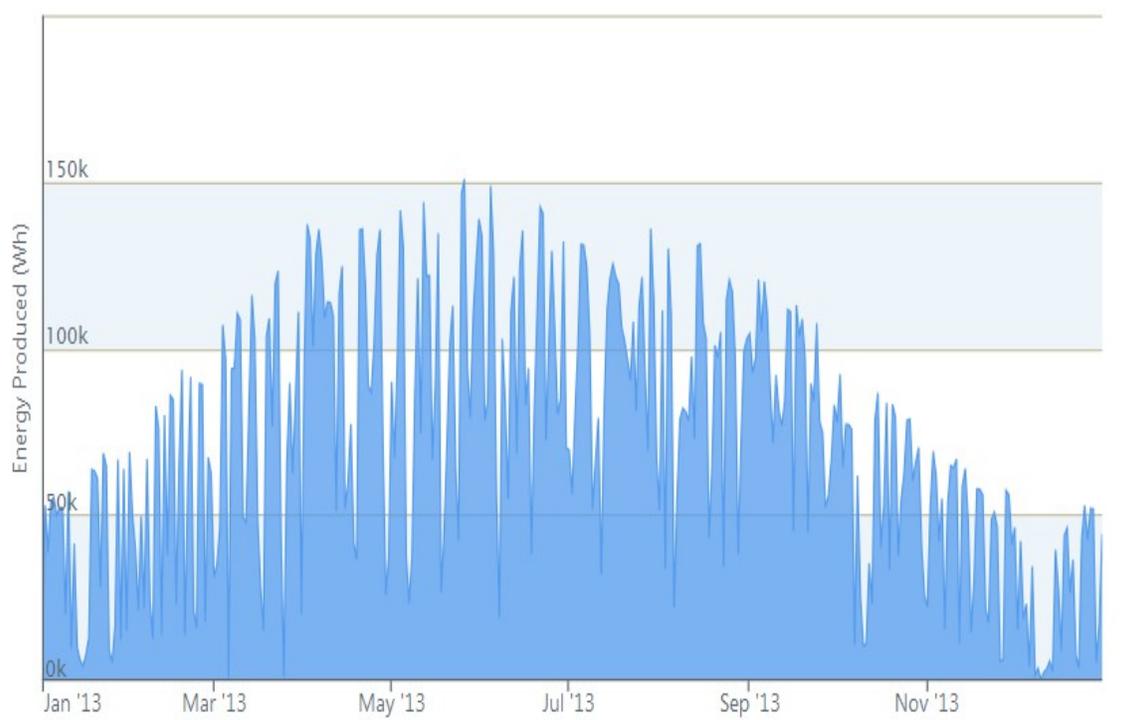
**Power Purchase Agreement:** The power purchase remains in effect and the price remains the same to the church during the first three years. They are now paying \$14.5 per kWh. We changed the billing to quarterly to lessen administrative costs.

**Array Performance:** The solar array performed well with no significant problems and functioned as anticipated. The array's performance can be viewed on the web in real time at the following URL:

<https://enlighten.enphaseenergy.com/public/systems/ddAZ51813>

**Solar Renewable Energy Credits (SRECs):** In 2013, Astrum Solar (our broker) sold 30 SRECs. The price per SREC for the first 25 SRECs was \$189.95—but then two SRECs sold in June for only \$128 and three sold for \$130 in July – total sales amounted to \$5396 for an average price of ~\$180. This amount is 2013 income and was included in the normal end-of-year distribution to members. The amount included revenue from the sale of electricity and SRECs, less operating costs. (See Profit and Loss, Section 3).

**Figure 1. Summary data on array productivity for 2013. Total Energy Produced: 25.7MWh**





**Distributions of Income:** A distribution to members in January 2014 represented income from the sale of solar electricity and SRECs, minus operating expenses. This was \$5,998 in 2013. No additional grant money was received or distributed.

**Distribution of Unused Membership Contributions:** During the Annual Meeting in December 2013, a concern was expressed that retained funds were over and above any reasonable contingency and that we should consider returning some of this original contribution to members. The Treasurer was instructed by the board to analyze the amount of reserves that would represent a reasonable buffer. It was proposed during the meeting that a reasonable cushion would be one year's worth of operating expenses (~\$2,500) and one insurance deductible (\$500) – although this merely stood as a suggestion and not a mandate.

**Table 1** below shows the effect of adopting this suggestion as the scenario. The retained amount of \$2,965 well exceeds the minimum balance required for free checking (\$1500) and would be the low water mark for the operating account. Most of the year, the operating account would have a larger balance than this as electricity revenues and possible SREC redemptions gradually added to it. The low-water mark of ~3K would likely be reached in January after payouts are made of the previous year's revenue and before new revenues are received from sales.

The reimbursement amount of \$13,962.50 would be divided among the members in proportion to their original investment (yielding approximately \$104 per thousand dollars of original investment). This amount represents a return of the original investment and is not taxable.

It will be the management committee's decision whether to adopt this or another alternative.

**Table 1. Potential Reimbursement of Initial Contributions**

Balance Jan 1, 2014	\$22,925.50	
Net Distribution of 2013 Sales	-\$5,998.00	
<b>Total Potential Distribution</b>	<b>\$16,927.50</b>	
Accounting Fee		\$1,200.00
Business Insurance premium		\$950.00
Maryland LLC fee		\$300.00
Website Registration		\$15.00
<b>Total Operating Expenses-</b>		<b>\$2,465.00</b>
1 yr ops cost	\$2,465.00	
1 ins. deductible	\$500.00	
<b>Total to be Retained</b>	<b>\$2,965.00</b>	
<b>Amt to distribute</b>	<b>\$13,962.50</b>	



## 2. Balance Sheet

This 2013 balance sheet was prepared by Richard Simonen, the GCS accountant. It shows a financially healthy operation with a bank balance of \$23K on Jan 1, of which ~\$6K has now been distributed, leaving a reserve of approximately \$17,000. The reserve includes unused original membership contributions.

### 2013 Balance Sheet:

	Dec 31, 13	Dec 31, 12	\$ Change
<b>ASSETS</b>			
<b>Current Assets</b>			
Checking/Savings			
M&T Bank XX2491	22,926	16,960	5,965
<b>Total Checking/Savings</b>	<u>22,926</u>	<u>16,960</u>	<u>5,965</u>
<b>Total Current Assets</b>	22,926	16,960	5,965
<b>Fixed Assets</b>			
Acc. Depreciation-Solar Panels	-35,662	-13,716	-21,946
Solar Panels-Brethern Church	68,580	68,580	0
<b>Total Fixed Assets</b>	<u>32,918</u>	<u>54,864</u>	<u>-21,946</u>
<b>TOTAL ASSETS</b>	<u><b>55,844</b></u>	<u><b>71,824</b></u>	<u><b>-15,981</b></u>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Equity</b>			
Opening Balance Equity	133,500	133,500	0
Retained Earnings	-61,676	0	-61,676
Net Income	-15,981	-61,676	45,695
<b>Total Equity</b>	<u>55,844</u>	<u>71,824</u>	<u>-15,981</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>55,844</b></u>	<u><b>71,824</b></u>	<u><b>-15,981</b></u>

## 3. Profit and Loss Statement

The profit and loss statement shows that GCS did not make a profit on its operations after depreciation of the array is considered. Federal tax rules allow us to take accelerated depreciation of the array. The losses due to depreciation this year are partially offset by revenue. The reported monthly electricity sales numbers reflect the change to quarterly billing. A distribution was made in early 2014 of the 2013 income from electricity sales and SRECS. Once expenses were accounted for, a total of \$5,998 was distributed as income to members. This number is not the same as the number reported on the members K-1 notification due to the effects of depreciation. Because this income is defined as 'passive' we can only take the loss to the extent of income, resulting (for most people) in a zero effect on their taxes.

### 2013 Profit and Loss:

Cash Basis	January through December 2013												TOTAL
	Jan 13	Feb 13	Mar 13	Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	
Ordinary Income/Expense													
Income													
Electricity-SHREC sales	135	165	0	532	425	0	842	0	0	1,212	0	0	3,312
SHREC sales	0	4,749	0	0	0	0	648	0	0	0	0	0	5,398
<b>Total Income</b>	<u>135</u>	<u>4,914</u>	<u>0</u>	<u>532</u>	<u>425</u>	<u>0</u>	<u>1,490</u>	<u>0</u>	<u>0</u>	<u>1,212</u>	<u>0</u>	<u>0</u>	<u>8,709</u>
Expense													
Accounting & Tax Preparation	1,500	0	0	0	0	0	0	0	0	0	0	0	1,500
Business License & Assessments	0	0	0	300	0	0	0	0	0	0	0	0	300
Depreciation-Solar Panels	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	21,946
Insurance-General Liability	0	0	0	0	0	0	0	0	0	0	0	883	883
Office/Admin Expenses	61	0	0	0	0	0	0	0	0	0	0	0	61
<b>Total Expense</b>	<u>3,390</u>	<u>1,829</u>	<u>1,829</u>	<u>2,129</u>	<u>1,829</u>	<u>1,829</u>	<u>1,829</u>	<u>1,829</u>	<u>1,829</u>	<u>1,829</u>	<u>1,829</u>	<u>2,711</u>	<u>24,689</u>
<b>Net Ordinary Income</b>	<u>-3,255</u>	<u>3,085</u>	<u>-1,829</u>	<u>-1,597</u>	<u>-1,404</u>	<u>-1,829</u>	<u>-339</u>	<u>-1,829</u>	<u>-1,829</u>	<u>-617</u>	<u>-1,829</u>	<u>-2,711</u>	<u>-15,981</u>
<b>Net Income</b>	<u><b>-3,255</b></u>	<u><b>3,085</b></u>	<u><b>-1,829</b></u>	<u><b>-1,597</b></u>	<u><b>-1,404</b></u>	<u><b>-1,829</b></u>	<u><b>-339</b></u>	<u><b>-1,829</b></u>	<u><b>-1,829</b></u>	<u><b>-617</b></u>	<u><b>-1,829</b></u>	<u><b>-2,711</b></u>	<u><b>-15,981</b></u>



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## 4. Goals Reached

We have successfully navigated a second full year of operation with a successful array, steady energy production, and the sale of SRECS at a respectable if not stellar price. We have gained confidence in the performance of the array and in our financial status.

## 5. Thanks and Kudos

The Management Committee wishes to thank its members, its Baptist Church customer, and all those whose energy and commitment continue to make this a successful community venture. It's nice to know that when you do the right thing, it can actually pay off for everybody!

### **Greenbelt Community Solar Management Committee:**

Bonnell, Jerry; Fisher, Shalom; Gervasi, Frank; Lindner, Steve; Mason, John; Meetre, Cathie; Robles, Luisa; Rosenthal, Lore; Skolnik, Steve

**Former Committee Members:** Barish, Dale (2011); Kessel, Robert (2011 - Oct 2012)