

**BUDGET AND OPERATIONS COMMITTEE OF THE
CONNECTICUT GREEN BANK
Minutes – Regular Meeting
Friday, February 5, 2016
3:00 PM – 4:00 PM**

A regular meeting of the Budget and Operation Committee (“Budget Committee”) of the Board of Directors of the **Connecticut Green Bank (the “Green Bank”)** was held on February 5, 2016, at the office of the Connecticut Green Bank, 845 Brook Street, Rocky Hill, CT.

1. **Call to order:** Commissioner Klee called the meeting to order at 3:03 p.m.

Members Attending: Rob Klee (Chair) (by phone) and Mun Young Choi (by phone)

Staff Attending: Bryan Garcia (by phone), Mackey Dykes, Brian Farnen (by phone), Jane Murphy, and Sue Kaswan (by phone).

2. **Public Comments:**

There were no public comments.

3. **Approval of Meeting Minutes:**

The Budget Committee members were asked to consider the minutes from the June 11, 2015 meeting.

Upon a motion made by Commissioner Klee, and seconded by Mun Young Choi the Budget Committee members voted unanimously in favor of adopting the minutes from the June 11, 2015 meeting.

Resolution #1

Motion to approve the minutes of the Budget and Operations Committee meeting for June 11, 2015.

4. **FY16 Budget Update and Reallocations:**

Jane Murphy provided an update on the FY16 Budget. She discussed the Balance Sheet as of 12/31/2015. She explained that assets have increased by approximately \$8 million year over year. She explained that there has been a shift of the current assets into longer term assets. She explained that they will continue to see that pattern moving forward.

She explained that a new Liability is the Pension Liability. She explained that approximately \$15 million has been put into the pension liability and that is the largest change. She explained that this is due to the GASB 68 implementation for state pensions. Mackey Dykes advised that it’s a necessary liability, not that they will actually have to pay it out. Jane Murphy explained that it’s

based on estimates and that the prior year has been restated for consistency. She advised that it will be presented this way moving forward. She explained that it's a new format.

Jane Murphy discussed the Income Statement. She advised that it's comparative for six months. She explained that it is \$5 million below for 2013. Mackey Dykes advised that last year they had the RGGI energy efficiency funds to compensate for the "sweep" of CGB funds, which they no longer have. He explained that the income coming in from renewables is not enough to offset what was lost from the Energy Efficiency Fund.

Jane Murphy explained that expenses year over year are approximately \$1 million higher for the same previous period. She explained that it makes sense since they are trying to grow programs and that they are seeing some net growth coming through. She explained that incentives from the grants are coming down. She advised that they are moving more towards financing and away from the grants. She did explain that the expenses are approximately \$8 million under budget.

Mackey Dykes explained that RSIP is still growing rapidly, but that they are not on track to meet the goal that was set for this year. Jane Murphy explained that they will spend more money on Marketing over the year. She advised that the recent marketing spending is not completely reflected in the financials as of right now.

Mackey Dykes advised that they are pretty much under budget across the board. He explained that there are a few areas within programs that they anticipate going over budget. He explained that they are looking at reallocating funds, which will have no increase in the overall budget. He explained that they are looking to reallocate \$115,000 from the Public Relations Program to Organizational Media Relations, under the Marketing Budget. He also explained that they are looking to reallocate \$466,982 in ARRA funding from the Cozy Home Loan to the Smart E Program, as well as, \$38,600 from the OBR Program to the Low to Moderate Income Program. He also explained that they would like to reallocate \$10,000 within the General Operations Budget from salaries to temporary employees.

Upon a motion made by Commissioner Klee, and seconded by Mun Young Choi the Committee voted unanimously to approve the reallocations.

Resolution #2

RESOLVED, the Budget and Operations Committee recommends the Connecticut Green Bank Board of Directors approve the fiscal year 2016 reallocations outlined in **Attachment A**.

5. Executive Session:

Upon a motion made by Commissioner Klee, and seconded by Mun Young Choi, the Committee voted unanimously to enter Executive Session at 3:25 p.m. for personnel related matters. Executive Session ended at 3:49 p.m.

6. **Adjourn:**

Upon a motion made by Commissioner Klee, and seconded by Mun Young Choi the Committee voted unanimously to adjourn the meeting at 3:50 p.m.

Respectfully submitted,

**Robert Klee, Chairperson of the
Budget Committee**