



## Budget Operations and Compensation Committee

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**Meeting Date**

**June 16, 2021**



## **Budget, Operations & Compensation Committee Members**

**Lonnie Reed**

Chair

Connecticut Green Bank

**John Harrity**

Chair

CT Roundtable on Climate and Jobs

**Michael Li**

Connecticut Department of Energy and  
Environmental Protection (DEEP)

**Eric Brown**

Vice President

CT Business and Industry Association

75 Charter Oak Avenue, Suite 1 - 103, Hartford, CT 06106  
T 860.563.0015  
ctgreenbank.com



June 11, 2021

Dear Connecticut Green Bank Budget, Operations, & Compensation Committee:

We hope you are well. We have a meeting of the Budget, Operations, & Compensation Committee scheduled for Wednesday, June 16, 2021 from 10:00-11:30 a.m. This meeting will be held online (Please note that we are using Microsoft Teams for this meeting rather than our usual Goto Meeting).

On the agenda we have the following items:

- **Meeting Minutes** – review and approval of the meeting minutes for June 9, 2021.
- **FY 2022 Comprehensive Plan and Budget** – At last we have a consolidated budget and targets for the committees' review. At this meeting we will review the revenues and expenses while discussing the organization's expenses, all through the lens of our progress toward sustainability. We will also have a discussion with regard to the Green Bank's support of and agreements with Inclusive Prosperity Capital. Enclosed in this mailing are:
  - a. FY2022 Budget and Targets Memo
  - b. The proposed FY 2022 consolidated budget
  - c. Memo regarding Sustainability and Inclusive Prosperity Capital

We will be looking for the committee to make a recommendation to the board at the end of this meeting.

If you have any questions, comments or concerns, please feel free to contact us at any time. We look forward to seeing you next week.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bryan Garcia".

Bryan Garcia  
President and CEO

A handwritten signature in blue ink, appearing to read "Eric Shrago".

Eric Shrago  
Managing Director of Operations



## **AGENDA**

Budget, Operations, & Compensation Committee of the  
Connecticut Green Bank  
75 Charter Oak Ave  
Hartford, CT

Wednesday, June 16, 2021  
10:00-11:30 a.m.

Staff Invited: Mackey Dykes, Brian Farnen, Bryan Garcia, Sergio Carillo, Bert Hunter, Jane Murphy, and Eric Shrago

1. Call to order
2. Public Comments – 5 minutes
3. Approve Meeting Minutes for June 9, 2021 Regular Meeting\* – 5 minutes
4. FY 2022 – Budget and Targets – 80 minutes
5. Adjourn

\*Denotes item requiring Committee action

\*\* Denotes item requiring Committee action and recommendation to the Board for approval

## Microsoft Teams meeting

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Phone Conference ID: 164 065 667#

Next Regular Meeting: TBD



## Resolutions

Budget, Operations, & Compensation Committee of the  
Connecticut Green Bank  
75 Charter Oak Ave  
Hartford, CT

Wednesday, June 16, 2021  
10:00-11:30 a.m.

Staff Invited: Mackey Dykes, Brian Farnen, Bryan Garcia, Sergio Carillo, Bert Hunter, Jane Murphy, and Eric Shrago

1. Call to order
2. Public Comments – 5 minutes
3. Approve Meeting Minutes for June 9, 2021 Regular Meeting\* – 5 minutes

### Resolution #1

Motion to approve the minutes of the Budget, Operations & Compensation Committee meeting for June 9, 2021.

#### **Second. Discussion. Vote**

4. FY 2022 – Budget and Targets – 80 minutes

### Resolution 2:

**WHEREAS**, section 5.2.2 of the Bylaws of the Connecticut Green Bank's requires the recommendation of the Budget, Operations, and Compensation Committee of the annual budget to the Connecticut Green Bank Board of Directors;

**RESOLVED**, the Budget, Operations, and Compensation Committee recommends that the Board of Directors authorizes Green Bank staff to enter into new or extend existing professional services agreements (PSAs) with the following, contingent upon a competitive bid process having occurred in the last three years (except Sustainable Connecticut, Sustainable Environmental Associates, and Inclusive Prosperity Capital):

- I. Adnet Technologies, LLC

- II. AlsoEnergy LLC
- III. Alter Domus (formerly Cortland)
- IV. Clean Power Research, LLC
- V. CliftonLarsonAllen
- VI. CSW, LLC.
- VII. C-TEC Solar, LLC
- VIII. DNV (includes what was formerly ERS
- IX. Environmental Control, Inc., d.b.a ENCON
- X. Guidehouse (aka Navigant)
- XI. Inclusive Prosperity Capital
- XII. Stark Raving
- XIII. Strategic Environmental Associates
- XIV. Sustainable CT

For fiscal year 2022 with the amounts of each PSA not to exceed the applicable approved budget line item

**NOW**, therefore be it:

**RESOLVED**, that the Budget Operations, and Compensation Committee Green Bank Board hereby approves: (1) the FY 2022 Targets and Budget, and (2) the PSAs with the 14 strategic partners listed above.

**RESOLVED**, the Budget, Operations, and Compensation Committee recommends that the Board of Directors authorize and empower the proper Green Bank officers to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to execute extensions and/or modifications to the agreements with Inclusive Prosperity Capital.

**Second. Discussion. Vote**

- 5. Adjourn

\*Denotes item requiring Committee action

\*\* Denotes item requiring Committee action and recommendation to the Board for approval

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Next Regular Meeting: TBD

# ANNOUNCEMENTS



- **Mute Microphone and turn on Video** – in order to prevent background noise that disturbs the meeting, if you aren't talking, please mute your microphone or phone.
- **Chat Box** – if you aren't being heard, please use the chat box to raise your hand and ask a question.
- **Recording Meeting** – per Executive Order 7B (i.e., suspension of in-person open meeting requirements), we need to record and post this board meeting.
- **State Your Name** – for those talking, please state your name for the record if you cannot be on video.



CONNECTICUT  
**GREEN BANK**

# Budget, Operations, & Compensation Committee Meeting

June 16, 2021





# Budget and Operations

Agenda Item #1

Call to Order

# Budget and Operations

## Agenda Item #2

### Public Comment

# Budget and Operations

## Agenda Item #3

### Approve Meeting Minutes

# Budget and Operations

Agenda Item #4

FY 2022 Comprehensive Plan – Budget and  
Targets

# FY21 Budget Plan



## **May 12**

1. Program Proposed Targets
2. Revenues

## **June 9**

1. Expenses
2. Sustainability

## **Today (6/16)**

1. Consolidated Budget
2. Investments
3. Strategic Partners (including IPC)
4. Committee Recommendation



# Proposed FY22 Goals

## Overall<sup>1</sup>



Business Segment	Targets			
	Number of Projects	Total Capital Deployed	Capacity Installed	Estimated Total annual Emissions (tons)
Financing Programs Total	902	\$61,992,000	19.1	50,127
Incentive Programs Total	1,633	\$36,630,000	9.8	22,217
Green Bank Total	2,530	\$98,622,000	28.9	72,344

- Smaller overall targets – forecasting the sunset of RSIP
- Inclusion of Emissions numbers to show impact
- Include Battery Storage

### REFERENCES

1. CGB KPIs in Data Warehouse FY 2021 YTD – through May 11, 2021
2. Totals are adjusted to prevent the double counting/overlap of projects across programs (i.e. Smart-E and RSIP)

# FY22 Budget

## Revenues



	FY22 Budget	FY21 Budget	\$ Increase / (Decrease)	FY21 YTD As of 6/9/21
<b>Revenues</b>				
Utility customer assessments <sup>(2)</sup>	\$ 24,449,800	\$ 24,772,400	\$ (322,600)	\$ 25,016,830
RGGI auction proceeds - renewables <sup>(3)</sup>	6,099,440	4,280,200	1,819,240	6,452,887
<b>Total Public Revenue:</b>	\$ 30,549,240	\$ 29,052,600	\$ 1,496,640	\$ 31,469,718
Interest Income - Cash Intercompany	69,475	66,137	3,338	56,455
Interest Income - Cash deposits	86,200	99,000	(12,800)	16,811
Interest Income - Delinquent CPACE payments	-	-	-	30,775
Interest Income - Capitalized construction interest	340,984	228,115	112,869	320,587
Interest Income - CPACE Warehouse, benefit assessments	2,751,462	2,353,783	397,679	1,814,299
Interest Income - Loan portfolio, other programs	3,176,734	3,203,413	(26,679)	3,284,821
Interest Income - CPACE Selldown Bonds	54,471	170,666	(116,195)	(6,677)
Interest Income - Solar lease I promissory notes, net	73,000	60,000	13,000	78,180
CPACE closing fees	123,000	144,000	(21,000)	73,080
Grant income (federal programs)	40,000	30,000	10,000	13,288
REC sales <sup>(2)</sup>	755,750	579,250	176,500	992,424
REC sales to utilities under SHREC program <sup>(3)</sup>	11,339,399	9,579,357	1,760,042	9,560,919
PPA Income	640,000	626,000	14,000	504,733
LREC/ZREC Income	350,000	285,000	65,000	365,680
Other income - Programs	81,000	78,000	3,000	70,025
Other income - General <sup>(1)</sup>	423,535	364,092	59,443	528,130
<b>Total Earned Revenue:</b>	\$ 20,305,009	\$ 17,866,811	\$ 2,438,197	\$ 17,703,530
<b>Total Sources of Revenue:</b>	\$ 50,854,249	\$ 46,919,411	\$ 3,934,837	\$ 49,173,247

# FY22 Budget

## Operating Expenses



	GenOps	Financing	Incentive	Environmental	Fiscal Year 06/30/2022	Fiscal Year 06/30/2021	YOY		Fiscal YTD As of 6/14/21	Budget vs Actual	
	Fiscal Year 06/30/2022	Fiscal Year 06/30/2022	Fiscal Year 06/30/2022	Fiscal Year 06/30/2022			Budget				Actual
	Budget	Budget	Budget	Budget			\$ Variance	% Variance			
<b>Operating Expenses</b>											
Compensation and Benefits											
Employee Compensation	1,262,011	2,409,866	1,694,657	112,448	5,478,983	5,000,218	478,765	10 %	4,126,568	(873,650)	
Employee Benefits	1,102,534	2,104,612	1,456,481	98,955	4,762,581	4,186,775	575,806	14 %	3,622,662	(564,113)	
<b>Total Compensation and Benefits</b>	<b>2,364,545</b>	<b>4,514,478</b>	<b>3,151,138</b>	<b>211,403</b>	<b>10,241,564</b>	<b>9,186,993</b>	<b>1,054,571</b>	<b>11 %</b>	<b>7,749,230</b>	<b>(1,437,763)</b>	
Program Development & Administration	0	852,985	4,391,000	0	5,243,985	3,459,515	1,784,470	52 %	1,691,815	(1,767,700)	
Program Administration-IPC Fee	0	1,122,835	243,384	0	1,366,219	1,366,219	0	0 %	1,034,989	(331,231)	
Marketing Expense	738,609	569,000	351,116	0	1,658,725	1,318,042	340,684	26 %	601,788	(716,253)	
E M & V	150,000	35,000	453,000	0	638,000	675,000	(37,000)	(5) %	287,174	(387,826)	
Research and Development	35,000	0	0	50,000	85,000	71,000	14,000	20 %	21,537	(49,463)	
Consulting and Professional Fees											
Consulting/Advisory Fees	261,000	457,000	365,000	0	1,083,000	904,420	178,580	20 %	465,491	(438,929)	
Accounting and Auditing Fees	267,750	0	0	0	267,750	258,350	9,400	4 %	132,780	(125,569)	
Legal Fees & Related Expenses	20,000	189,000	85,000	0	294,000	385,000	(91,000)	(24) %	82,415	(302,586)	
Bond Issuance Costs	0	0	850,000	0	850,000	1,125,000	(275,000)	(24) %	602,724	(522,276)	
<b>Total Consulting and Professional Fees</b>	<b>548,750</b>	<b>646,000</b>	<b>1,300,000</b>	<b>0</b>	<b>2,494,750</b>	<b>2,672,770</b>	<b>(178,020)</b>	<b>(7) %</b>	<b>1,283,410</b>	<b>(1,389,360)</b>	
Rent and Location Related Expenses											
Rent/Utilities/Maintenance	70,184	134,017	94,242	6,252	304,694	339,998	(35,305)	(10) %	268,689	(71,309)	
Telephone/Communication	21,513	41,081	28,889	1,917	93,400	91,099	2,302	3 %	42,080	(49,018)	
Depreciation & Amortization	154,328	294,693	207,231	13,748	670,000	615,021	54,978	9 %	476,625	(138,397)	
<b>Total-Rent and Location Related Expenses</b>	<b>246,025</b>	<b>469,791</b>	<b>330,362</b>	<b>21,917</b>	<b>1,068,094</b>	<b>1,046,118</b>	<b>21,975</b>	<b>2 %</b>	<b>787,394</b>	<b>(258,724)</b>	
Office, Computer & Other Expenses	735,677	412,658	219,872	12,265	1,380,472	1,226,607	153,866	13 %	1,082,631	(143,976)	
<b>Total Operating Expenses</b>	<b>4,818,606</b>	<b>8,622,747</b>	<b>10,439,872</b>	<b>295,585</b>	<b>24,176,809</b>	<b>21,022,264</b>	<b>3,154,546</b>	<b>15 %</b>	<b>14,539,968</b>	<b>(6,482,296)</b>	



# FY22 Budget



## Grants, Incentives, & non-Operating Expenses

	GenOps Fiscal Year 06/30/2022	Financing Programs Fiscal Year 06/30/2022	Incentive Programs Fiscal Year 06/30/2022	Environmental Infrastructure Fiscal Year 06/30/2022	Fiscal Year 06/30/2022	Fiscal Year 06/30/2021	YOY Budget		Fiscal YTD As of 6/14/21	Budget vs Actual
	Budget	Budget	Budget	Budget	Budget	Budget	\$ Variance	% Variance	Actual	Variance
<b>Program Incentives and Grants</b>										
Financial Incentives-CGB Grants	0	40,000	0	0	40,000	100,000	(60,000)	(60) %	100,000	0
Program Expenditures-Federal Grants	0	125,000	0	0	125,000	30,000	95,000	317 %	10,400	(19,600)
EPBB/PBI/HOPBI Incentives	0	0	16,712,690	0	16,712,690	16,716,539	(3,849)	(0) %	13,875,103	(2,841,435)
Interest Rate Buydowns-CGB	0	0	0	0	0	0	0	0 %	(21,692)	(21,693)
<b>Total Program Incentives and Grants</b>	<b>\$ 0</b>	<b>\$ 165,000</b>	<b>\$ 16,712,690</b>	<b>\$ 0</b>	<b>\$ 16,877,690</b>	<b>\$ 16,846,539</b>	<b>31,151</b>	<b>0 %</b>	<b>\$ 13,963,811</b>	<b>(2,882,728)</b>
<b>Operating Income/(Loss)</b>	<b>\$ 26,309,844</b>	<b>\$ (474,346)</b>	<b>\$ (15,740,163)</b>	<b>\$ (295,585)</b>	<b>\$ 9,799,749</b>	<b>\$ 10,206,758</b>	<b>(407,009)</b>	<b>(4) %</b>	<b>\$ 16,125,564</b>	<b>5,918,806</b>
<b>Non-Operating Expenses</b>										
Interest Expense	0	186,205	2,521,873	0	2,708,079	2,825,917	(117,838)	(4) %	1,918,087	(907,830)
Unrealized (Gain) Loss	0	0	0	0	0	0	0	0 %	(3,999,995)	(3,999,995)
Realized (Gain) Loss	0	0	0	0	0	0	0	0 %	3,774,874	3,774,874
Provision for Loan Loss	0	1,728,196	0	0	1,728,196	2,478,750	(750,554)	(30) %	1,420,220	(1,058,530)
Interest Rate Buydowns-ARRA	0	0	850,000	0	850,000	1,592,491	(742,491)	(47) %	37,057	(1,555,434)
Taxes	0	0	0	0	0	0	0	0 %	8,925	8,925
<b>Total Non-Operating Expenses</b>	<b>\$ 0</b>	<b>\$ 1,914,401</b>	<b>\$ 3,371,873</b>	<b>\$ 0</b>	<b>\$ 5,286,275</b>	<b>\$ 6,897,158</b>	<b>(1,610,883)</b>	<b>(23) %</b>	<b>\$ 3,159,168</b>	<b>(3,737,990)</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>26,309,844</b>	<b>(2,388,748)</b>	<b>(19,112,036)</b>	<b>(295,585)</b>	<b>4,513,475</b>	<b>3,309,600</b>	<b>1,203,874</b>	<b>36 %</b>	<b>12,966,409</b>	<b>9,656,809</b>

# FY22 Budget Investments



Program Type - CGB portfolio loan (Asset) advances											
Dept	Prg Code	Prg Name	Description	Interest Rate	Term in Years	FY22 Budget					FY21 Budget
						Q1	Q2	Q3	Q4	Total	
Multi	52250	Multifamily Pgms	C4C Lime facility draws	4.0%	15	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 200,000	\$ 500,000
<b>Total MultiFamily Program Loans:</b>						<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 200,000</b>	<b>\$ 500,000</b>
Resi	52220	LMI Programs	Posigen	5.0%	10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Resi 1-4 Program Loans:</b>						<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
CI&I	51800	CPACE	CGB Portfolio	Current/Future Pipeline	5.60%	17.5	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 5,000,000
CI&I	51800	CPACE	3rd party lending RFP	Greenworks Lending	5.25%	5	-	-	-	-	3,000,000
CI&I	52307	Solar PPA Development	PPA State		3.0%	20	2,250,000	2,250,000	2,250,000	2,250,000	10,000,000
CI&I	52307	Solar PPA Development	PPA Municipality		3.75%	20	-	782,400	782,400	782,400	2,347,200
CI&I	51810	New Product Dev.	PPA Developers		4.50%	20	314,250	314,250	314,250	314,250	1,257,000
CI&I	51810	New Product Dev.	PPA Debt to 3rd parties		4.50%	15	1,025,000	1,025,000	1,025,000	1,025,000	4,100,000
CI&I	53002	SBEA/BEA	Regular Loan Purchases		3.50%	4	361,750	361,750	361,750	361,750	1,447,000
Multi	52250	Multifamily Programs	PPA Multifamily		4.25%	20	-	-	135,000	135,000	270,000
<b>Total CI&amp;I Program Loans:</b>						<b>\$ 5,201,000</b>	<b>\$ 5,983,400</b>	<b>\$ 6,118,400</b>	<b>\$ 6,118,400</b>	<b>\$ 23,421,200</b>	<b>\$ 22,544,000</b>
Finance	52200	CE Finance Prg	PPA Sub Debt into IPC Fund	Debt financing	5.5%	15	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
Finance	52200	CE Finance Prg	Strategic Investments	Fort Hill Ag-Grid	5.0%	10	-	-	-	-	750,000
Finance	52200	CE Finance Prg	Strategic Investments	FuelCell Groton	8.0%	10	3,200,000	-	-	-	3,200,000
Finance	52305	Hydro Projects	Strategic Investments	Canton Hydro	5.0%	10	-	-	-	-	-
Finance	52200	CE Finance Prg	Strategic Investments	Unspecified	4.0%	10	-	-	2,500,000	2,500,000	5,000,000
<b>Total CE Finance Program Loans:</b>						<b>\$ 3,200,000</b>	<b>\$ -</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 8,200,000</b>	<b>\$ 9,250,000</b>
<b>Total of all Program Loans:</b>						<b>\$ 8,401,000</b>	<b>\$ 5,983,400</b>	<b>\$ 8,718,400</b>	<b>\$ 8,718,400</b>	<b>\$ 31,821,200</b>	<b>\$ 32,294,000</b>
Program Type - CGB Loans: Additions to Provision for Loan Losses for FY22 Investments											
				Prob.	Ratio	FY22 Budget					FY21 Budget
						Q1	Q2	Q3	Q4	Total	
<b>Total MultiFamily Program Loans:</b>				85%	10%	\$ -	\$ -	\$ 19,975	\$ 19,975	\$ 39,950	\$ 42,500
<b>Total CI&amp;I Program Loans-CPACE:</b>				85%	10%	106,250	106,250	106,250	106,250	425,000	680,000
<b>Total CI&amp;I Program Loans-New Product Development</b>				85%	10%	113,835	113,835	113,835	113,835	455,340	1,062,500
<b>Total CI&amp;I Program Loans-Solar PPA Development</b>				85%	2%	38,250	51,552	51,552	51,552	192,906	-
<b>Total CE Finance Program Loans:</b>				75%	10%	240,000	-	187,500	187,500	615,000	693,750
<b>Total Provision for Loan Losses:</b>						<b>\$ 498,335</b>	<b>\$ 271,637</b>	<b>\$ 479,112</b>	<b>\$ 479,112</b>	<b>\$ 1,728,196</b>	<b>\$ 2,478,750</b>
Program Type - Interest Expense											
Dept	Prg	Prg Name	Description	Interest	Term	FY22 Budget					FY21 Budget
						Q1	Q2	Q3	Q4	Total	
Multi	52251	Multifamily	HDF/MacArthur Interest Expense - \$5.0m draw	1.0%	15	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 50,000	\$ 50,000
SI	51100	RSIP	Interest Expense-SHREC ABS - Class A	5.1%	15	413,418	412,993	397,112	383,738	1,607,261	1,717,175
SI	51100	RSIP	Interest Expense-SHREC ABS - Class B	7.0%	15	27,963	27,944	26,870	25,964	108,742	116,178
SI	51100	RSIP	Interest Expense-Green Liberty Bond 2020	0.95%-2.90%	15	87,783	86,424	85,064	85,064	344,335	529,765
SI	51100	RSIP	Interest Expense-Green Liberty Bond 2021	3.5%	15	115,563	115,420	115,276	115,276	461,536	-
SI	51100	RSIP	Liberty/Webster SHREC Warehouse - Tranche 3	4.5%	1	-	-	-	-	-	32,000
SI	51100	RSIP	Liberty/Webster SHREC Warehouse - Tranche 4	4.5%	1	-	-	-	-	-	120,000
Finance	52200	CE Finance Prg	Amlagated LOC - CTSL1/CTSLN1	4.1%	1	600	600	600	600	2,400	72,000
Finance	52200	CE Finance Prg	Amlagated LOC - HACPACE	4.1%	1	-	-	-	-	-	50,000
Finance	52302	CREBs	New England Hydro CREBs net of Treasury Subsidy	4.09%	20	-	5,165	-	7,465	12,630	12,038
Finance	52302	CREBs	CSCU CREBs net of Treasury Subsidy	4.9%	20	-	48,667	-	72,508	121,175	126,765
						<b>\$ 657,828</b>	<b>\$ 709,712</b>	<b>\$ 637,422</b>	<b>\$ 703,116</b>	<b>\$ 2,708,079</b>	<b>\$ 2,825,921</b>

# Sustainability Plan



## Progress Update (Memo of June 16, 2021)

- **Background** – October 17, 2017, CGA adopted budget sweeping \$16.3 MM each year for FY18 and FY19 – more than 50% of public revenues. December 15, 2017, BOD approved Sustainability Plan to manage through sweeps and deliver on mission, including three (3) parts:
  1. **Incentive Programs** – manage the cash flow demands on the organization for paying out incentives (i.e., EPBB and PBI) through the RSIP (i.e., CGS 16-245ff) by monetizing and securitizing SHRECs.
  2. **Financing Programs** – reducing operating expenses (i.e., personnel and non-personnel) and implementing an investment strategy that generates earned revenues (e.g., interest income) from a portfolio of investments that deliver an average 5% return over 10-year term to breakeven in 4 to 7 years.
  3. **Nonprofit Organization** – cofound mission-aligned independent 501(c)3 nonprofit to transition staff, while delivering capital to underserved segments of the market.

# Incentive Programs



## Progress Update (Memo of June 16, 2021)

Tranche	# of Projects	Installed Capacity (kW)	SHREC Price (\$/MWh)	Bond Proceeds (\$MM's)	Estimated RSIP Incentives (\$MM's)	Estimated 15-Year P90 SHREC Revenues (\$MM's)
1	6,796	49,200	\$50	\$16.5	\$19.1	\$33.9
2	7,258	59,800	\$49	\$22.1	\$20.5	\$40.5
3	4,818	39,300	\$48	\$16.1	\$11.9	\$26.4
4	6,956	59,400	\$47	\$24.8	\$17.7	\$38.9
5	7,266	61,900	\$35	TBD	\$16.2	\$30.6
6	3,711	31,500	TBD	TBD	\$5.3	TBD
<b>Total</b>	<b>36,805</b>	<b>301,200</b>			<b>\$90.8</b>	<b>\$170.3</b>

Successfully monetized and securitized SHRECs to manage cash flow in near and mid-terms through funding warehouses and bond issuances to continue RSIP, while cost recovering all expenses over time

# Financing Programs



## Progress Update (Memo of June 16, 2021)

Expenses	FY17	FY18	FY19	FY20	FY21 YTD
PROpEx (personnel)	\$6.7	\$5.8	\$5.6	\$5.4	\$5.5
TOpEx (including non-personnel)	\$12.7	\$11.0	\$10.7	\$10.6	\$9.3
TEx (OpEx and non-operating)	\$16.9	\$12.1	\$14.2	\$15.9	\$10.7
Pension and OPEB (POPEB)	\$1.7	\$3.4	\$2.8	\$3.7	TBD

Reduced operating expenses (i.e., personnel and non-personnel), while managing non-operating expenses (e.g., provision for loan losses)

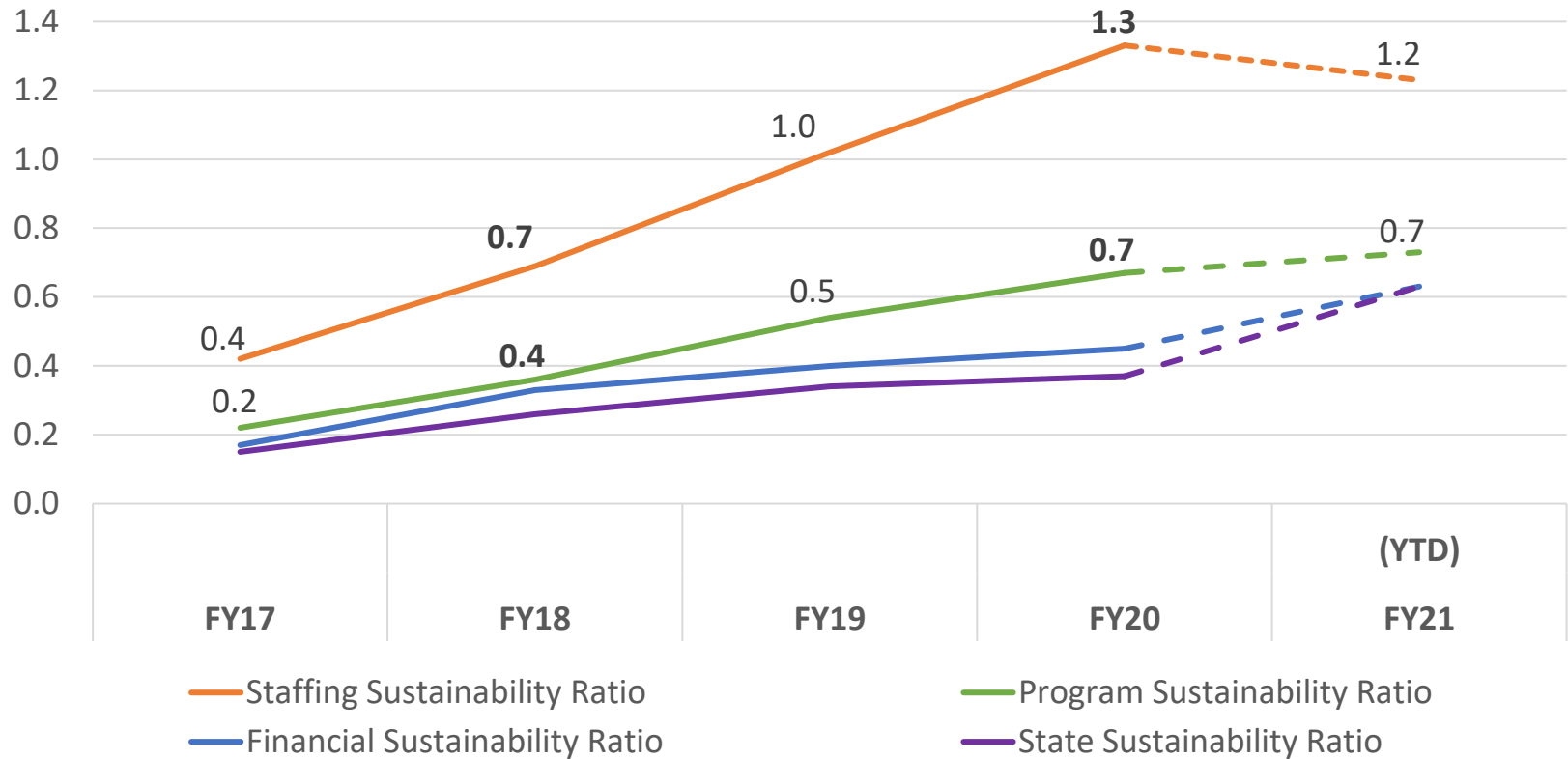
Earned Revenues	FY17	FY18	FY19	FY20	FY21 YTD
Earned Revenues	\$2.8	\$4.0	\$5.8	\$7.1	\$6.8

Increase earned revenue (e.g., interest income, PPA income) by building portfolio of investments targeting average 5% return over 10-years

# Sustainability Ratios



## Progress Update (Memo of June 16, 2021)



Staffing Sustainability Ratio is greater than 1.0, while Program, Financial, and State Sustainability Ratios are making steady progress

# Nonprofit Organization



## Progress Update (Memo of June 16, 2021)

- **Staff Transitions** – transitioned eight (8) staff members from Green Bank to jointly formed (including DEEP and Kresge Foundation) 501(c)3 nonprofit organization (i.e., Inclusive Prosperity Capital) reducing Green Bank operating expenses.
- **Supporting Mission** – through four (4) PSA's IPC is supporting the mission of the Green Bank in meeting its impact targets across several programs in underserved market segments (e.g., Smart-E Loan, Low-to-Moderate Income RSIP)
- **Attracting Mission Oriented Investors** – despite timing challenges on executing business plan resulting from loss of finance specialists and the COVID-19 pandemic, IPC has recently made extensive progress raising capital from foundations (e.g., MacArthur) and lenders (e.g., Amalgamated Bank)

# Nonprofit Organization



## Rationale for PSA Extensions and MOU Modification

	PSA Years	FY22	FY23	FY24	FY25	FY26
Original Plan	6	\$0.683	\$0.683	\$0.683	-	-
Extension Request	8	\$1.366	\$1.366	\$1.025	\$0.683	\$0.342
Variance	2	\$0.683	\$0.683	\$0.342	\$0.683	\$0.342

- **Sustainability Progress** – Incentive and Financing Programs have made steady progress towards sustainability, Green Bank would be better served with IPC being sustainable as well (including former staff).
- **Impact on Mission** – IPC assists Green Bank in delivering measurable, including refocus on Solar PPA and affordable multifamily
- **Reallocation of Resources** – FY22 budget proposes reduction of \$690,432 that would offset \$683,110 in continuing support for IPC
- **Unique Circumstances** – early loss of leading finance specialist, along with getting investors comfortable with start-up nonprofit investment fund and global pandemic slowed down capital raise by two (2) years.



# FY22 Budget Strategic Partners



Partner	Department	RFP	Year of		Work Performed	FY22 Budget	FY21 Budget
			RFP	RFP			
Adnet Technologies, LLC	General Operations	Y	2021		IT Outsourcing	\$ 380,000	\$ 380,000
Clean Power Research, LLC	Infrastructure	Y	2020		PowerClerk Software	470,000	475,000
Alter Domus (formerly Cortland)	Financing Programs	Y	2020		CPACE - Loan Servicing	152,000	127,600
CSW, LLC.	Financing Programs	Y	2019		State & Municipal PPA Development	451,250	250,000
Inclusive Prosperity Capital	Multiple	N <sup>(1)</sup>			Program Execution and Investment Management	1,366,220	1,366,220
AlsoEnergy LLC	Infrastructure	Y	2020		Monitoring Platform, Active Monitoring, RGM replacement	1,033,000	985,000
ReCurve Analytics	Financing Programs	Y	2018		CPACE EM&V	-	75,000
DNV (includes what was formerly ERS)	Financing Programs	Y	2021		CPACE Technical Administrator, SHREC Due Diligence	209,000	122,000
CliftonLarsonAllen	General Operations	Y	2021		Auditing Services	133,400	125,000
Guidehouse (aka Navigant)	Incentives	Y	2021		Battery storage and social impact methodologies	300,000	100,000
Sustainable CT	Marketing	N <sup>(2)</sup>			Support with financing programs in communities	125,000	100,000
GO, LLC	Marketing	Y	2018		Support for CPACE and Green Liberty Bonds marketing	-	231,000
Adams & Knight	Marketing	Y	2019		Smart-E Digital Marketing; web hosting	-	120,000
Strategic Environmental Associates	Financing Programs	N <sup>(3)</sup>			Carbon Offset Customer Acquisition	160,000	150,000
Environmental Control, Inc., d.b.a ENCON	General Operations	Y	2017		Servicing PPA systems from a technical perspective	-	275,000
C-TEC Solar, LLC	Multiple	Y	2021		Servicing PPA systems from a technical perspective	286,667	-
Stark Raving	Marketing	Y	2021		Marketing Strategy, Media purchases, Website design	355,000	-
						<b>\$ 5,421,537</b>	<b>\$ 4,881,820</b>

## Inclusive Prosperity Capital Breakdown

PSA	Human Capital Component		FY22 Budget	FY21 Budget
	Human Capital Component	Administrative Component		
Commercial Solar	\$ 760,632	\$ 29,350	\$ 789,982	\$ 235,779
LMI / Inv Management	220,938	8,500	\$ 229,438	361,962
Smart-E	234,384	9,000	\$ 243,384	270,837
Multifamily	99,516	3,900	\$ 103,416	497,642
	<b>\$ 1,315,470</b>	<b>\$ 50,750</b>	<b>\$ 1,366,220</b>	<b>\$ 1,366,220</b>

# FY22 Budget & Targets Recommendation



**WHEREAS**, section 5.2.2 of the Bylaws of the Connecticut Green Bank's requires the recommendation of the Budget, Operations, and Compensation Committee of the annual budget to the Connecticut Green Bank Board of Directors;

**RESOLVED**, the Budget, Operations, and Compensation Committee recommends that the Board of Directors authorizes Green Bank staff to enter into new or extend existing professional services agreements (PSAs) with the following, contingent upon a competitive bid process having occurred in the last three years (except Sustainable Connecticut, Sustainable Environmental Associates, and Inclusive Prosperity Capital):

- I. Adnet Technologies, LLC
- II. AlsoEnergy LLC
- III. Alter Domus (formerly Cortland)
- IV. Clean Power Research, LLC
- V. CliftonLarsonAllen
- VI. CSW, LLC.
- VII. C-TEC Solar, LLC
- VIII. DNV (includes what was formerly ERS)
- IX. Environmental Control, Inc., d.b.a ENCON
- X. Guidehouse (aka Navigant)
- XI. Inclusive Prosperity Capital
- XII. Stark Raving
- XIII. Strategic Environmental Associates
- XIV. Sustainable CT

For fiscal year 2022 with the amounts of each PSA not to exceed the applicable approved budget line item

**NOW**, therefore be it:

**RESOLVED**, that the Budget Operations, and Compensation Committee Green Bank Board hereby approves: (1) the FY 2022 Targets and Budget, and (2) the PSAs with the 14 strategic partners listed above.

**RESOLVED**, the Budget, Operations, and Compensation Committee recommends that the Board of Directors authorize and empower the proper Green Bank officers to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to execute extensions and/or modifications to the agreements with Inclusive Prosperity Capital.

# Budget and Operations

Agenda Item #6

Adjourn



**BUDGET, OPERATIONS, AND COMPENSATION COMMITTEE OF THE  
CONNECTICUT GREEN BANK**  
Regular Meeting Minutes

Wednesday, June 9, 2021  
2:00 – 3:30 p.m.

A regular meeting of the Budget, Operations, and Compensation Committee of the **Connecticut Green Bank (the “Green Bank”)** was held on June 9, 2021.

**Due to COVID-19, all participants joined via the conference call.**

Committee Members Present: Eric Brown, John Harrity, Lonnie Reed

Committee Members Absent: Michael Li

Staff Attending: Lindsay Alfano, Sergio Carrillo, Brian Farnen, Bryan Garcia, Bert, Hunter, Jane Murphy, Cheryl Samuels, Ariel Schneider, Eric Shrago, Dan Smith

Others present: None

**1. Call to Order**

- Eric Shrago called the meeting to order at 2:03 pm on behalf of John Harrity who was present but had limited availability to speak.

**2. Public Comments**

- No public comments.

**3. Meeting Minutes from May 12, 2021**

**Resolution #1**

Motion to approve the meeting minutes of the Budget, Operations, and Compensation Committee from the meeting on May 12, 2021.

**Upon a motion made by John Harrity and seconded by Lonnie Reed, the Board of Directors voted to approve Resolution 1. None opposed or abstained. Motion approved unanimously.**

## Subject to Changes and Deletions

### 4. FY 2021 – Expenses (Staffing, Incentive Programs, and General Operations)

- Eric Shrago reviewed the proposed targets and revenues for FY 2022 as outlined in the May 12, 2021, meeting and the assumptions and contingencies which encompasses the expanding scope of the Green Bank. This includes the environmental infrastructure and battery storage projects.
  - Eric Brown asked to explain the Transportation item of the Financing Programs. Eric Shrago explained how the program will work and that it is growing but estimating targets at this point is difficult. Targets will be added in when it can be better calculated.
- Eric Shrago summarized the key insights for Revenues for the FY 2022 budget. He continued to the Staffing Plan, which should remain approximately the same from FY 2021. There is a proposal for 2 new positions for 1 year each to help transition the RSIP team as that program comes to a close. A third position remains open from FY 2021, which is an Operations Assistant. The fourth position is to support the expanded environmental scope of the organization. There are three additional positions that are contingent on the battery storage program being ordered by PURA.
- Mr. Shrago reviewed the 4 positions that will be opening as staff leave the Green Bank, which are built into the plan. There is a proposed increased Merit Pool which is similar to other quasi-public agencies and in line with previous budget plans.
  - John Harray commented that the 4% Merit Pool is reasonable and does not think it will be a problem.
- Eric Shrago explained the Incentive Programs expenses for FY 2022. While RSIP is winding down, however there is a larger expense of the older 3G solar meters being replaced in the near future to ensure (SH)REC production continues for the Green Bank. The Battery Storage program is currently contingent upon the PURA decision, so revisions will be made once there is decision made and staff will bring the committee a revised budget for battery storage when the program is ordered. As for Smart-E, there is a decrease due to projected fees for historical reviews being decreased.
- For Financing Programs, Eric Shrago reviewed the CPACE, PPA, and Multifamily programs. With CPACE, costs are reduced, and efficiency is increased due to the administrative changes, for PPA, the operations and maintenance costs are shown which were previously not included because of how they are processed, but there should be plenty of cash on hand to cover it. There is also an increase share of IPC time being allocated which increases the expenses. For Multifamily, there is a drastic decrease as the focus shifts to PPA but then remaining budget should support the existing projects.
- Eric Shrago continued to explain the Clean Energy Finance budget, including the decrease to the IPC human capital and the decrease from the shift as one of the current employees leaves and becomes a consultant.
- Eric Shrago summarized the Marketing and General Operations plans and changes to the budget, especially the shift from a product-centric approach to a brand-level approach. This includes a new Contractor Outreach strategy as well as new assets to the website and for marketing. For Product-level marketing, there is an increase due to the Solar MAP program as well as the new Battery Storage program. However, there is a decrease to the Residential budget overall as media costs shift but there is a new expense to support LMI outreach. Multifamily marketing is also now being supported by the CI&I marketing.
  - Eric Brown commented that for the general operations, the changes are very smart. He asked if the changes could be measured for effectiveness and

## Subject to Changes and Deletions

calculated, so that they could be used in other presentations as applicable, such as for the Joint Committee. Eric Shrago agreed and noted that there has been some market research done. The plan is to track effectiveness more regularly and to really evaluate what works, which is exciting. Bryan Garcia noted that the environment for the office is to surround the staff with stories to inspire and promote the culture of the Green Bank.

- Eric Brown commented to be wary in future marketing projects of anything too political and to instead focus on the historical elements. Eric Shrago agreed, and Bryan Garcia commented that almost every story in this field has political connotations, but the goal is to get people thinking and questioning what is possible, but work will be done to ensure the stories are navigated carefully to remain bipartisan. Lonnie Reed highlighted the importance of a good story to get people excited about green energy, even within the private sector.
- Eric Shrago reviewed research and development expenses as well as other operating expenses. This includes increases to network costs, staff development, and insurance but a decrease to rent, office expenses, and IT Support services, which leads to an overall increase to the expenses. Eric Shrago noted there is a significant decrease to capital expenses.
  - John Harrity asked if there was any plan for residential heat pump marketing, and Eric Shrago explained that there should be, though the breakout for Smart-E has not been done yet. Bryan Garcia added that part of the marketing budget is used to support Sustainable Connecticut, part of which finds citizen-designed projects that align with the Green Bank's mission. One in particular was for home energy solutions, heat pumps, and solar PV put together by some long-standing clean energy advocates, and so an increase to the budget for Sustainable Connecticut was added to specifically help analyze the data from that and replicate its success. The group discussed the heat pump marketing benefits and strategy.

### 5. Updates on Sustainability

- Bryan Garcia summarized the background of the Green Bank's sustainability plan. He continued to the progress being made as a response to the FY 2018 and FY 2019 sweeps. He then explained the key sustainability ratios currently as compared to each year since FY 2017, which shows that the Green Bank is doing well.
- Jane Murphy also explained some of the changes to the Pension and OPEB expenses brought onto the balance sheet that were not present in the past. An annual actuarial valuation is performed for the plans and an allocation to the various State of Connecticut component units is performed. The Green Bank has no control over the expense which it gets allocated.

### 6. Adjourn

**Upon a motion made by Lonnie Reed and seconded by John Harrity, the Budget, Operations, and Compensation Committee Meeting adjourned at 3:18 pm.**

Respectfully submitted,

Subject to Changes and Deletions

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John Harrity, Chairperson

DRAFT



# Memo

**To:** Connecticut Green Bank Budget, Operations, and Compensation Committee

**From:** Bryan Garcia (President and CEO), Jane Murphy (Executive Vice President of Finance and Administration), and Eric Shrago (Managing Director of Operations)

**Date:** June 11, 2021

**Re:** Proposed FY2022 Targets and Budget

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After a challenging year, the world is reopening and a new normal is setting in. From the expansion of the Green Bank's mission to include environmental infrastructure,<sup>1</sup> and passage of energy storage legislation,<sup>2</sup> which may enable the Green Bank to co-administer an incentive program,<sup>3</sup> to continued uptake of our Marketplace Assistance Program for the PPA and C-PACE programs, along with the passage of behind the meter incentives for affordable housing that will advance our efforts to reduce energy burden on vulnerable communities,<sup>4</sup> we are looking at many exciting developments that this upcoming fiscal year brings us.

After careful consideration, stakeholder engagement, and reflection staff have constructed the below targets and supporting budget for the upcoming fiscal year.

## I. Targets

The Green Bank has proposed the following targets for each sector's programs for the upcoming fiscal year:

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<sup>1</sup> Passage of HB 6441 "An Act Concerning Climate Change Adaptation" during the 2021 legislative session of the Connecticut General Assembly

<sup>2</sup> Passage of SB 952 "An Act Concerning Energy Storage" during the 2021 legislative session of the Connecticut General Assembly

<sup>3</sup> Docket No. 17-12-03RE03

<sup>4</sup> Passage of SB 356 "An Act Establishing an Energy Efficiency Retrofit Grant Program for Affordable Housing" during the 2021 legislative session of the Connecticut General Assembly



Segment	Product	Targets			Estimated Total annual Emissions (tons)
		Number of Projects	Total Capital Deployed	Capacity Installed	
Financing Programs	CSPACE	44	\$23,260,000	6.5	11,493
	PPA	42	\$25,557,000	13.4	23,053
	SBEA	818	\$14,470,000	0.0	0
	Multi-Family Pre-Dev	0	\$0	0.0	0
	Multi-Family Term	4	\$650,000	0.2	282
	Multi-Family Health and Safety Total	2	\$600,000	0.0	0
	Transportation	0	0	0	16,500
	Strategic Investments	0	\$0	0.0	0
Financing Programs Total		902	61,992,000	19	50,127

Segment	Program	Targets			Estimated Total annual Emissions (tons)
		Number of Projects	Total Capital Deployed	Capacity Installed	
Incentive Programs	Residential Solar	471	\$13,680,000	4.0	7,049
	Battery Storage	362	11,750,000	5	0
	Smart-E	800	\$11,200,000	0.8	15,168
	Low Income Loans/Leases (PosiGen)	328	\$8,468,304	2.23	3,930
	Incentive Programs Total	1,633	\$36,630,000	9.8	22,217

Segment	Business Segment	Targets			Estimated Total annual Emissions (tons)
		Number of Projects	Total Capital Deployed	Capacity Installed	
CGB	Financing Programs Total	902	\$61,992,000	19.1	50,127
	Incentive Programs Total	1,633	\$36,630,000	9.8	22,217
	Green Bank Total	2,530	\$98,622,000	28.9	72,344

## II. Proposed Green Bank FY 2022 Operating and Program Budget

Enclosed is the proposed Green Bank's FY 2022 budget for review and discussion at the June 16<sup>th</sup> meeting.

At the May 12<sup>th</sup> BO&C Committee meeting, we focused on the above targets and the revenue side of the FY 2022 budget, which staff forecast to be \$50,854,249. This estimate includes public revenues (utility customer assessments and RGGI auction proceeds) and earned revenues (interest income, REC sales, grants, and closing fees). The public revenues are \$30,549,240, or 60% of total revenues – while the earned revenues are \$20,305,009, or 40% of total revenues (\$12.2 Million for the incentive programs and \$8.1 Million for the financing programs). Due to increased interest income from our growing balance sheet, this is the highest percentage of earned revenue to public revenue in our existence.

Projected operating expenses for FY2022 are forecast at \$24,176,809 – or \$10,241,564 for personnel and \$13,935,245 for non-personnel related operating expenses. Grants and Incentives are projected to be \$16,877,690 and non-operating expenses are projected to be \$ 5,286,275.

This budget includes \$32,294,000 in projected investments that deliver \$13 million in interest or a weighted average return of 4.51% over 9 years.

We look forward to discussing this budget as a whole.

## **Resolution 2:**

**WHEREAS**, section 5.2.2 of the Bylaws of the Connecticut Green Bank’s requires the recommendation of the Budget, Operations, and Compensation Committee of the annual budget to the Connecticut Green Bank Board of Directors;

**RESOLVED**, the Budget, Operations, and Compensation Committee recommends that the Board of Directors authorizes Green Bank staff to enter into new or extend existing professional services agreements (PSAs) with the following, contingent upon a competitive bid process having occurred in the last three years (except Sustainable Connecticut, Sustainable Environmental Associates, and Inclusive Prosperity Capital):

- I. Adnet Technologies, LLC
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- XII. Stark Raving
- XIII. Strategic Environmental Associates
- XIV. Sustainable CT

For fiscal year 2022 with the amounts of each PSA not to exceed the applicable approved budget line item

**NOW**, therefore be it:

**RESOLVED**, that the Budget Operations, and Compensation Committee Green Bank Board hereby approves: (1) the FY 2022 Targets and Budget, and (2) the PSAs with the 14 strategic partners listed above.

**RESOLVED**, the Budget, Operations, and Compensation Committee recommends that the Board of Directors authorize and empower the proper Green Bank officers to do all

other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to execute extensions and/or modifications to the agreements with Inclusive Prosperity Capital.

**Connecticut Green Bank**  
**FY 2022 Operating and Program Budget - DRAFT**  
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**Connecticut Green Bank  
FY 2022 Operations and Program Budget - DRAFT**

**Statement of Revenues and General Operations and Program Expenses**

	Financing		Incentive		Environmental				YOY Budget	Fiscal YTD As of 6/14/21	Budget vs Actual
	GenOps	Programs	Programs	Infrastructure	Fiscal Year	Fiscal Year	\$ Variance	% Variance			
	Fiscal Year 06/30/2022	Fiscal Year 06/30/2022	Fiscal Year 06/30/2022	Fiscal Year 06/30/2022	Fiscal Year 06/30/2022	Fiscal Year 06/30/2021					
	Budget	Budget	Budget	Budget	Budget	Budget					
<b>Revenue</b>											
Operating Income											
Utility Customer Assessments	24,449,800	0	0	0	24,449,800	25,080,817	(631,017)	(3) %	21,465,350	(3,615,467)	
RGGI Auction Proceeds-Renewables	6,099,440	0	0	0	6,099,440	4,945,407	1,154,033	23 %	6,452,887	1,507,480	
CPACE Closing Fees	0	123,000	0	0	123,000	144,000	(21,000)	(15) %	73,080	(70,919)	
REC Sales	0	755,750	11,339,399	0	12,095,149	10,341,132	1,754,016	17 %	9,560,919	(780,214)	
Sales of Energy Systems	0	0	0	0	0	0	0	0 %	746,515	746,515	
Grant Income-Federal Programs	0	40,000	0	0	40,000	30,000	10,000	33 %	13,288	(16,712)	
PPA Income	0	640,000	0	0	640,000	626,000	14,000	2 %	504,733	(121,267)	
LREC/ZREC Income	0	350,000	0	0	350,000	285,000	65,000	23 %	365,680	80,680	
Total Operating Income	30,549,240	1,908,750	11,339,399	0	43,797,389	41,452,356	2,345,032	6 %	39,182,452	(2,269,904)	
Interest Income	155,675	5,982,666	73,000	0	6,211,341	5,952,998	258,343	4 %	5,274,664	(678,334)	
Interest Income, Capitalized	0	340,984	0	0	340,984	228,115	112,870	49 %	320,587	92,472	
Other Income	423,535	81,000	0	0	504,535	442,092	62,443	14 %	598,155	156,063	
<b>Total Revenue</b>	<b>\$ 31,128,450</b>	<b>\$ 8,313,400</b>	<b>\$ 11,412,399</b>	<b>\$ 0</b>	<b>\$ 50,854,249</b>	<b>\$ 48,075,561</b>	<b>2,778,688</b>	<b>6 %</b>	<b>\$ 45,375,858</b>	<b>(2,699,703)</b>	
<b>Operating Expenses</b>											
Compensation and Benefits											
Employee Compensation	1,262,011	2,409,866	1,694,657	112,448	5,478,983	5,000,218	478,765	10 %	4,126,568	(873,650)	
Employee Benefits	1,102,534	2,104,612	1,456,481	98,955	4,762,581	4,186,775	575,806	14 %	3,622,662	(564,113)	
Total Compensation and Benefits	2,364,545	4,514,478	3,151,138	211,403	10,241,564	9,186,993	1,054,571	11 %	7,749,230	(1,437,763)	
Program Development & Administration	0	852,985	4,391,000	0	5,243,985	3,459,515	1,784,470	52 %	1,691,815	(1,767,700)	
Program Administration-IPC Fee	0	1,122,835	243,384	0	1,366,219	1,366,219	0	0 %	1,034,989	(331,231)	
Marketing Expense	738,609	569,000	351,116	0	1,658,725	1,318,042	340,684	26 %	601,788	(716,253)	
E M & V	150,000	35,000	453,000	0	638,000	675,000	(37,000)	(5) %	287,174	(387,826)	
Research and Development	35,000	0	0	50,000	85,000	71,000	14,000	20 %	21,537	(49,463)	
Consulting and Professional Fees											
Consulting/Advisory Fees	261,000	457,000	365,000	0	1,083,000	904,420	178,580	20 %	465,491	(438,929)	
Accounting and Auditing Fees	267,750	0	0	0	267,750	258,350	9,400	4 %	132,780	(125,569)	
Legal Fees & Related Expenses	20,000	189,000	85,000	0	294,000	385,000	(91,000)	(24) %	82,415	(302,586)	
Bond Issuance Costs	0	0	850,000	0	850,000	1,125,000	(275,000)	(24) %	602,724	(522,276)	
Total Consulting and Professional Fees	548,750	646,000	1,300,000	0	2,494,750	2,672,770	(178,020)	(7) %	1,283,410	(1,389,360)	
Rent and Location Related Expenses											
Rent/Utilities/Maintenance	70,184	134,017	94,242	6,252	304,694	339,998	(35,305)	(10) %	268,689	(71,309)	
Telephone/Communication	21,513	41,081	28,889	1,917	93,400	91,099	2,302	3 %	42,080	(49,018)	
Depreciation & Amortization	154,328	294,693	207,231	13,748	670,000	615,021	54,978	9 %	476,625	(138,397)	
Total-Rent and Location Related Expenses	246,025	469,791	330,362	21,917	1,068,094	1,046,118	21,975	2 %	787,394	(258,724)	
Office, Computer & Other Expenses	735,677	412,658	219,872	12,265	1,380,472	1,226,607	153,866	13 %	1,082,631	(143,976)	
<b>Total Operating Expenses</b>	<b>4,818,606</b>	<b>8,622,747</b>	<b>10,439,872</b>	<b>295,585</b>	<b>24,176,809</b>	<b>21,022,264</b>	<b>3,154,546</b>	<b>15 %</b>	<b>14,539,968</b>	<b>(6,482,296)</b>	
<b>Program Incentives and Grants</b>											
Financial Incentives-CGB Grants	0	40,000	0	0	40,000	100,000	(60,000)	(60) %	100,000	0	
Program Expenditures-Federal Grants	0	125,000	0	0	125,000	30,000	95,000	317 %	10,400	(19,600)	
EPBB/PBI/HOPBI Incentives	0	0	16,712,690	0	16,712,690	16,716,539	(3,849)	(0) %	13,875,103	(2,841,435)	
Interest Rate Buydowns-CGB	0	0	0	0	0	0	0	0 %	(21,692)	(21,693)	
<b>Total Program Incentives and Grants</b>	<b>\$ 0</b>	<b>\$ 165,000</b>	<b>\$ 16,712,690</b>	<b>\$ 0</b>	<b>\$ 16,877,690</b>	<b>\$ 16,846,539</b>	<b>31,151</b>	<b>0 %</b>	<b>\$ 13,963,811</b>	<b>(2,882,728)</b>	
<b>Operating Income/(Loss)</b>	<b>\$ 26,309,844</b>	<b>\$ (474,346)</b>	<b>\$ (15,740,163)</b>	<b>\$ (295,585)</b>	<b>\$ 9,799,749</b>	<b>\$ 10,206,758</b>	<b>(407,009)</b>	<b>(4) %</b>	<b>\$ 16,125,564</b>	<b>5,918,806</b>	
<b>Non-Operating Expenses</b>											
Interest Expense	0	186,205	2,521,873	0	2,708,079	2,825,917	(117,838)	(4) %	1,918,087	(907,830)	
Unrealized (Gain) Loss	0	0	0	0	0	0	0	0 %	(3,999,995)	(3,999,995)	
Realized (Gain) Loss	0	0	0	0	0	0	0	0 %	3,774,874	3,774,874	
Provision for Loan Loss	0	1,728,196	0	0	1,728,196	2,478,750	(750,554)	(30) %	1,420,220	(1,058,530)	
Interest Rate Buydowns-ARRA	0	0	850,000	0	850,000	1,592,491	(742,491)	(47) %	37,057	(1,555,434)	
Taxes	0	0	0	0	0	0	0	0 %	8,925	8,925	
<b>Total Non-Operating Expenses</b>	<b>\$ 0</b>	<b>\$ 1,914,401</b>	<b>\$ 3,371,873</b>	<b>\$ 0</b>	<b>\$ 5,286,275</b>	<b>\$ 6,897,158</b>	<b>(1,610,883)</b>	<b>(23) %</b>	<b>\$ 3,159,168</b>	<b>(3,737,990)</b>	
<b>Net Revenues Over (Under) Expenses</b>	<b>26,309,844</b>	<b>(2,388,748)</b>	<b>(19,112,036)</b>	<b>(295,585)</b>	<b>4,513,475</b>	<b>3,309,600</b>	<b>1,203,874</b>	<b>36 %</b>	<b>12,966,409</b>	<b>9,656,809</b>	

**Connecticut Green Bank  
FY 2022 Operations and Program Budget - DRAFT**

**Statement of Revenues and General Operations and Program Expenses - FINANCING PROGRAMS**

	GenOps	Programs	Financing	Financing	YOY		Fiscal YTD	Budget
	Fiscal Year	Fiscal Year	Programs	Programs	Budget		As of 6/14/21	vs Actual
	06/30/2022	06/30/2022	Fiscal Year	Fiscal Year	\$ Variance	% Variance	Actual	Variance
	Budget	Budget	Budget	Budget				
<b>Revenue</b>								
Operating Income								
Utility Customer Assessments	24,449,800	0	24,449,800	25,080,817	(631,017)	(3) %	21,465,350	(3,615,467)
RGGI Auction Proceeds-Renewables	6,099,440	0	6,099,440	4,945,407	1,154,033	23 %	6,452,887	1,507,480
CPACE Closing Fees	0	123,000	123,000	144,000	(21,000)	(15) %	73,080	(70,919)
<b>REC Sales</b>	<b>0</b>	<b>755,750</b>	<b>755,750</b>	579,250	176,500	30 %	0	(579,250)
Grant Income-Federal Programs	0	40,000	40,000	30,000	10,000	33 %	13,288	(16,713)
PPA Income	0	640,000	640,000	626,000	14,000	2 %	504,733	(121,267)
LREC/ZREC Income	0	350,000	350,000	285,000	65,000	23 %	365,680	80,681
<b>Total Operating Income</b>	<b>30,549,240</b>	<b>1,908,750</b>	<b>32,457,990</b>	<b>31,690,474</b>	<b>767,516</b>	<b>2 %</b>	<b>28,875,018</b>	<b>(2,815,455)</b>
Interest Income	155,675	5,982,666	6,138,341	5,667,632	470,709	8 %	4,800,771	(866,862)
Interest Income, Capitalized	0	340,984	340,984	228,115	112,869	49 %	320,587	92,472
Other Income	423,535	81,000	504,535	442,092	62,443	14 %	568,753	126,662
<b>Total Revenue</b>	<b>\$ 31,128,450</b>	<b>\$ 8,313,400</b>	<b>\$ 39,441,850</b>	<b>\$ 38,028,313</b>	<b>1,413,537</b>	<b>4 %</b>	<b>\$ 34,565,129</b>	<b>(3,463,183)</b>
<b>Operating Expenses</b>								
Compensation and Benefits								
Employee Compensation	1,262,011	2,409,866	3,671,877	3,516,430	155,447	4 %	2,934,863	(581,567)
Employee Benefits	1,102,534	2,104,612	3,207,147	2,948,760	258,387	9 %	2,583,762	(364,998)
<b>Total Compensation and Benefits</b>	<b>2,364,545</b>	<b>4,514,478</b>	<b>6,879,024</b>	<b>6,465,190</b>	<b>413,834</b>	<b>6 %</b>	<b>5,518,625</b>	<b>(946,565)</b>
Program Development & Administration	0	852,985	852,985	923,090	(70,105)	(8) %	476,336	(446,753)
Program Administration-IPC Fee	0	1,122,835	1,122,835	1,095,382	27,452	3 %	901,258	(194,125)
Marketing Expense	738,609	569,000	1,307,609	973,696	333,914	34 %	406,833	(566,863)
E M & V	150,000	35,000	185,000	225,000	(40,000)	(18) %	70,277	(154,723)
Research and Development	35,000	0	35,000	71,000	(36,000)	(51) %	21,537	(49,463)
Consulting and Professional Fees								
Consulting/Advisory Fees	261,000	457,000	718,000	508,000	210,000	41 %	225,334	(282,666)
Accounting and Auditing Fees	267,750	0	267,750	258,350	9,400	4 %	128,181	(130,169)
Legal Fees & Related Expenses	20,000	189,000	209,000	235,000	(26,000)	(11) %	41,749	(193,251)
<b>Total Consulting and Professional Fees</b>	<b>548,750</b>	<b>646,000</b>	<b>1,194,750</b>	<b>1,001,350</b>	<b>193,400</b>	<b>19 %</b>	<b>395,264</b>	<b>(606,086)</b>
Rent and Location Related Expenses								
Rent/Utilities/Maintenance	70,184	134,017	204,199	238,700	(34,501)	(14) %	190,854	(47,846)
Telephone/Communication	21,513	41,081	62,595	63,957	(1,362)	(2) %	31,181	(32,776)
Depreciation & Amortization	154,328	294,693	449,021	581,605	(132,585)	(23) %	471,780	(109,825)
<b>Total-Rent and Location Related Expenses</b>	<b>246,025</b>	<b>469,791</b>	<b>715,815</b>	<b>884,262</b>	<b>(168,448)</b>	<b>(19) %</b>	<b>693,815</b>	<b>(190,447)</b>
Office, Computer & Other Expenses	735,677	412,658	1,148,334	930,384	217,951	23 %	775,351	(155,033)
<b>Total Operating Expenses</b>	<b>4,818,606</b>	<b>8,622,747</b>	<b>13,441,352</b>	<b>12,569,354</b>	<b>871,998</b>	<b>7 %</b>	<b>9,259,296</b>	<b>(3,310,058)</b>
<b>Program Incentives and Grants</b>								
Financial Incentives-CGB Grants	0	40,000	40,000	100,000	(60,000)	(60) %	100,000	0
Program Expenditures-Federal Grants	0	125,000	125,000	30,000	95,000	317 %	10,400	(19,600)
Interest Rate Buydowns-CGB	0	0	0	0	0	0 %	(21,692)	(21,692)
<b>Total Program Incentives and Grants</b>	<b>\$ 0</b>	<b>\$ 165,000</b>	<b>\$ 165,000</b>	<b>\$ 130,000</b>	<b>35,000</b>	<b>27 %</b>	<b>\$ 88,708</b>	<b>(41,292)</b>
<b>Operating Income/(Loss)</b>	<b>\$ 26,309,844</b>	<b>\$ (474,346)</b>	<b>\$ 25,835,498</b>	<b>\$ 25,328,958</b>	<b>506,539</b>	<b>2 %</b>	<b>\$ 25,217,126</b>	<b>(111,833)</b>
<b>Non-Operating Expenses</b>								
Interest Expense	0	186,205	186,205	310,803	(124,598)	(40) %	135,617	(175,186)
Unrealized (Gain) Loss	0	0	0	0	0	0 %	(3,999,995)	(3,999,995)
Realized (Gain) Loss	0	0	0	0	0	0 %	3,774,874	3,774,874
Provision for Loan Loss	0	1,728,196	1,728,196	2,478,750	(750,554)	(30) %	1,419,375	(1,059,375)
<b>Total Non-Operating Expenses</b>	<b>\$ 0</b>	<b>\$ 1,914,401</b>	<b>\$ 1,914,401</b>	<b>\$ 2,789,553</b>	<b>(875,152)</b>	<b>(31) %</b>	<b>\$ 1,329,871</b>	<b>(1,459,682)</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>\$ 26,309,844</b>	<b>\$ (2,388,748)</b>	<b>\$ 23,921,096</b>	<b>\$ 22,539,405</b>	<b>1,381,691</b>	<b>6 %</b>	<b>\$ 23,887,267</b>	<b>1,347,862</b>

**Connecticut Green Bank**  
**FY 2022 Operations and Program Budget - DRAFT**  
**Statement of Revenues and General Operations and Program Expenses - INCENTIVE PROGRAMS**

	RSIP		Battery Storage (PURA)		Smart-E Loans	Smart-E ARRA IRB	Incentive Programs	Incentive Programs	YOY Budget		Fiscal YTD	Budget
	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	\$ Variance	% Variance	As of 6/14/21	vs Actual
	06/30/2022	06/30/2022	06/30/2022	06/30/2022	06/30/2022	06/30/2022	06/30/2021	Budget			Actual	Variance
<b>Revenue</b>												
Operating Income												
REC Sales	11,339,399	0	0	0	11,339,399	9,761,882		1,577,516	16 %	9,560,919	(200,963)	
Total Operating Income	11,339,399	0	0	0	11,339,399	9,761,882		1,577,516	16 %	9,560,919	(200,963)	
Interest Income	73,000	0	0	0	73,000	70,500		2,500	4 %	104,281	33,780	
Other Income	0	0	0	0	0	0		0	0 %	14,274	14,274	
<b>Total Revenue</b>	<b>\$ 11,412,399</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 11,412,399</b>	<b>\$ 9,832,382</b>		<b>1,580,016</b>	<b>16 %</b>	<b>\$ 9,679,474</b>	<b>(152,909)</b>	
<b>Operating Expenses</b>												
Compensation and Benefits												
Employee Compensation	1,173,029	439,490	82,138	0	1,694,657	1,483,788		210,869	14 %	1,191,705	(292,083)	
Employee Benefits	997,448	386,752	72,281	0	1,456,481	1,238,016		218,465	18 %	1,038,901	(199,115)	
Total Compensation and Benefits	2,170,477	826,242	154,419	0	3,151,138	2,721,804		429,334	16 %	2,230,606	(491,198)	
Program Development & Administration	4,161,000	210,000	20,000	0	4,391,000	2,536,424		1,854,575	73 %	1,070,305	(1,466,120)	
Program Administration-IPC Fee	0	0	243,384	0	243,384	270,837		(27,452)	(10) %	133,731	(137,105)	
Marketing Expense	175,866	65,750	109,500	0	351,116	344,346		6,770	2 %	194,955	(149,391)	
E M & V	100,000	350,000	3,000	0	453,000	450,000		3,000	1 %	216,898	(233,102)	
Consulting and Professional Fees												
Consulting/Advisory Fees	365,000	0	0	0	365,000	396,420		(31,420)	(8) %	240,156	(156,264)	
Legal Fees & Related Expenses	80,000	0	5,000	0	85,000	150,000		(65,000)	(43) %	40,665	(109,334)	
Bond Issuance Costs	850,000	0	0	0	850,000	1,125,000		(275,000)	(24) %	602,725	(522,276)	
Total Consulting and Professional Fees	1,295,000	0	5,000	0	1,300,000	1,671,420		(371,420)	(22) %	883,546	(787,874)	
Rent and Location Related Expenses												
Rent/Utilities/Maintenance	65,235	24,439	4,568	0	94,242	101,298		(7,056)	(7) %	77,834	(23,464)	
Telephone/Communication	19,997	7,492	1,400	0	28,889	27,142		1,747	6 %	10,899	(16,242)	
Depreciation & Amortization	143,447	53,741	10,043	0	207,231	33,416		173,815	520 %	4,846	(28,571)	
Total-Rent and Location Related Expenses	228,679	85,672	16,011	0	330,362	161,856		168,506	104 %	93,579	(68,277)	
Office, Computer & Other Expenses												
Office Expense	22,630	8,478	1,584	0	32,693	54,491		(21,799)	(40) %	10,866	(43,625)	
Insurance	0	0	0	0	0	70,000		(70,000)	(100) %	41,668	(28,332)	
Commitment Fees	0	0	0	0	0	0		0	0 %	112,639	112,639	
Implementation Fees	0	0	0	0	0	0		0	0 %	10,000	10,000	
Subscriptions	10,000	0	0	0	10,000	9,000		1,001	11 %	1,000	(8,000)	
Training & Education	15,000	0	0	0	15,000	17,000		(2,001)	(12) %	4,115	(12,885)	
IT Operations	105,340	39,464	7,376	0	152,179	134,731		17,449	13 %	117,242	(17,489)	
Travel, Meeting & Related Expenses	10,000	0	0	0	10,000	11,000		(1,000)	(9) %	4,843	(6,157)	
Total-Office, Computer & Other Exp	162,970	47,942	8,960	0	219,872	296,222		(76,350)	(26) %	302,373	6,151	
<b>Total Operating Expenses</b>	<b>8,293,992</b>	<b>1,585,606</b>	<b>560,274</b>	<b>0</b>	<b>10,439,872</b>	<b>8,452,909</b>		<b>1,986,963</b>	<b>24 %</b>	<b>5,125,993</b>	<b>(3,326,916)</b>	
<b>Program Incentives and Grants</b>												
EPBB/PBI/HOPBI Incentives	16,712,690	0	0	0	16,712,690	16,716,539		(3,849)	(0) %	13,875,103	(2,841,435)	
<b>Total Program Incentives and Grants</b>	<b>\$ 16,712,690</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 16,712,690</b>	<b>\$ 16,716,539</b>		<b>(3,849)</b>	<b>(0) %</b>	<b>\$ 13,875,103</b>	<b>(2,841,435)</b>	
<b>Operating Income/(Loss)</b>	<b>\$ (13,594,283)</b>	<b>\$ (1,585,606)</b>	<b>\$ (560,274)</b>	<b>\$ 0</b>	<b>\$ (15,740,163)</b>	<b>\$ (15,337,066)</b>		<b>(403,097)</b>	<b>3 %</b>	<b>\$ (9,321,623)</b>	<b>6,015,442</b>	
<b>Non-Operating Expenses</b>												
Interest Expense	2,521,873	0	0	0	2,521,873	2,515,114		6,759	0 %	1,782,470	(732,644)	
Provision for Loan Loss	0	0	0	0	0	0		0	0 %	845	845	
Interest Rate Buydowns-ARRA	0	0	0	850,000	850,000	1,592,491		(742,490)	(47) %	37,057	(1,555,434)	
<b>Total Non-Operating Expenses</b>	<b>\$ 2,521,873</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 850,000</b>	<b>\$ 3,371,873</b>	<b>\$ 4,107,605</b>		<b>(735,731)</b>	<b>(18) %</b>	<b>\$ 1,820,372</b>	<b>(2,287,233)</b>	
<b>Net Revenues Over (Under) Expenses</b>	<b>\$ (16,116,157)</b>	<b>\$ (1,585,606)</b>	<b>\$ (560,274)</b>	<b>\$ (850,000)</b>	<b>\$ (19,112,036)</b>	<b>\$ (19,444,670)</b>		<b>332,634</b>	<b>(2) %</b>	<b>\$ (11,141,995)</b>	<b>8,302,675</b>	

**Connecticut Green Bank  
FY 2022 Operations and Program Budget - DRAFT**

**Statement of Revenues and General Operations and Program Expenses - ENVIRONMENTAL INFRASTRUCTURE**

	Environmental Infrastructure		YOY	
	Fiscal Year	Fiscal Year	Budget	
	06/30/2022	06/30/2021	\$ Variance	% Variance
	Budget	Budget		
<b>Operating Expenses</b>				
Compensation and Benefits				
Employee Compensation	112,448	0	112,448	0 %
Employee Benefits	98,955	0	98,955	0 %
Total Compensation and Benefits	211,403	0	211,403	0 %
Research and Development	50,000	0	50,000	0 %
Rent and Location Related Expenses				
Rent/Utilities/Maintenance	6,252	0	6,252	0 %
Telephone/Communication	1,917	0	1,917	0 %
Depreciation & Amortization	13,748	0	13,748	0 %
Total-Rent and Location Related Expenses	21,917	0	21,917	0 %
Office, Computer & Other Expenses	12,265	0	12,265	0 %
<b>Total Operating Expenses</b>	<b>\$ 295,585</b>	<b>\$ 0</b>	<b>295,585</b>	<b>0 %</b>
<b>Operating Income/(Loss)</b>	<b>\$ (295,585)</b>	<b>\$ 0</b>	<b>(295,585)</b>	<b>0 %</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>\$ (295,585)</b>	<b>\$ 0</b>	<b>(295,585)</b>	<b>0 %</b>



**Connecticut Green Bank**  
**FY 2022 Operating and Program Budget - DRAFT**  
**Revenue Detail**

	FY22 Budget	FY21 Budget	\$ Increase / (Decrease)	FY21 YTD As of 6/9/21
<b>Revenues</b>				
Utility customer assessments <sup>(2)</sup>	\$ 24,449,800	\$ 24,772,400	\$ (322,600)	\$ 25,016,830
RGGI auction proceeds - renewables <sup>(3)</sup>	6,099,440	4,280,200	1,819,240	6,452,887
<b>Total Public Revenue:</b>	<b>\$ 30,549,240</b>	<b>\$ 29,052,600</b>	<b>\$ 1,496,640</b>	<b>\$ 31,469,718</b>
Interest Income - Cash Intercompany	69,475	66,137	3,338	56,455
Interest Income - Cash deposits	86,200	99,000	(12,800)	16,811
Interest Income - Delinquent CPACE payments	-	-	-	30,775
Interest Income - Capitalized construction interest	340,984	228,115	112,869	320,587
Interest Income - CPACE Warehouse, benefit assessments	2,751,462	2,353,783	397,679	1,814,299
Interest Income - Loan portfolio, other programs	3,176,734	3,203,413	(26,679)	3,284,821
Interest Income - CPACE Selldown Bonds	54,471	170,666	(116,195)	(6,677)
Interest Income - Solar lease I promissory notes, net	73,000	60,000	13,000	78,180
CPACE closing fees	123,000	144,000	(21,000)	73,080
Grant income (federal programs)	40,000	30,000	10,000	13,288
REC sales <sup>(2)</sup>	755,750	579,250	176,500	992,424
REC sales to utilities under SHREC program <sup>(3)</sup>	11,339,399	9,579,357	1,760,042	9,560,919
PPA Income	640,000	626,000	14,000	504,733
LREC/ZREC Income	350,000	285,000	65,000	365,680
Other income - Programs	81,000	78,000	3,000	70,025
Other income - General <sup>(1)</sup>	423,535	364,092	59,443	528,130
<b>Total Earned Revenue:</b>	<b>\$ 20,305,009</b>	<b>\$ 17,866,811</b>	<b>\$ 2,438,197</b>	<b>\$ 17,703,530</b>
<b>Total Sources of Revenue:</b>	<b>\$ 50,854,249</b>	<b>\$ 46,919,411</b>	<b>\$ 3,934,837</b>	<b>\$ 49,173,247</b>

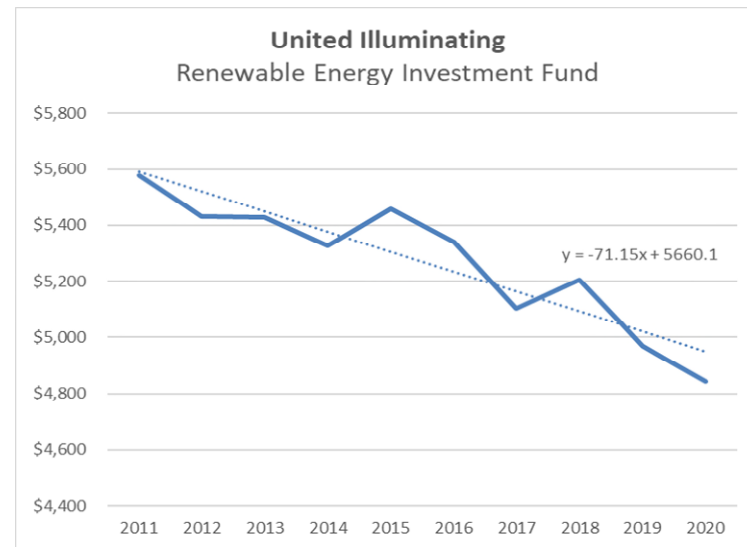
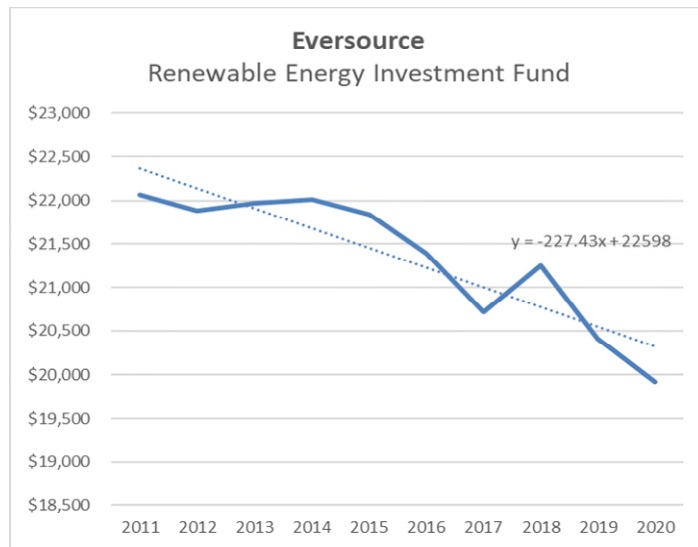
<sup>(1)</sup> Of the \$423,535 in Other Income - General, \$100,000 is from Forward Capacity Markets and \$225,535 is from EV Carbon Offsets.

<sup>(2)</sup> Utility assessments and REC sales are full year estimates.

<sup>(3)</sup> RGGI auction proceeds and REC sales under SHREC program are full year actuals.

**Connecticut Green Bank  
FY 2022 General Operations Budget - DRAFT  
Utility Customer Assessment Projections**

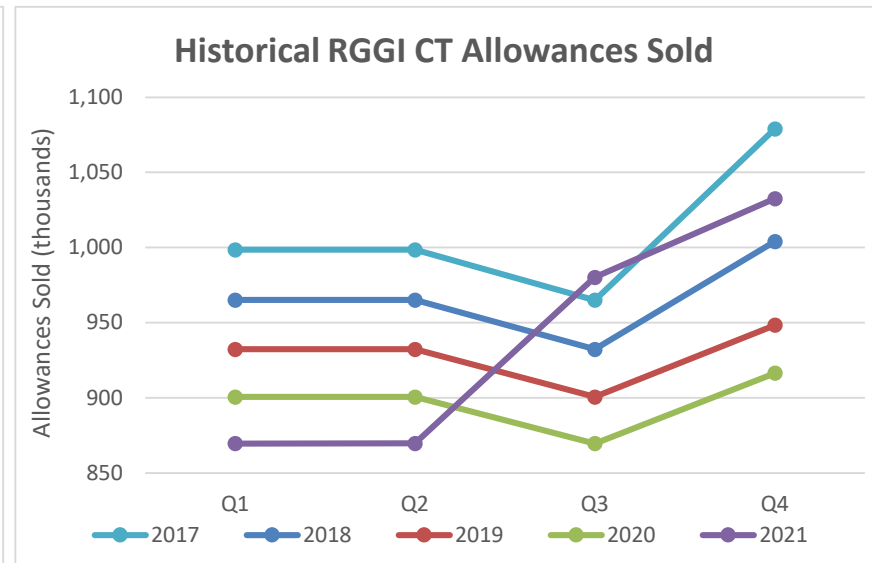
	FY22 Budget	FY21 Budget	FY21 Projected (1)	YOY Budget Incr / (Decr)	FY22 Budget vs. FY21 Projected	FY21 Budget vs. FY21 Projected
July	\$ 2,382,400	\$ 2,338,800	\$ 2,508,905	\$ 43,600	\$ (126,505)	\$ 170,105
August	2,495,400	2,519,300	2,599,879	(23,900)	(104,479)	80,579
September	2,183,300	2,195,800	2,244,473	(12,500)	(61,173)	48,673
October	1,830,300	1,803,000	1,837,227	27,300	(6,927)	34,227
November	1,795,700	1,818,600	1,793,434	(22,900)	2,266	(25,166)
December	2,069,200	2,128,800	2,086,893	(59,600)	(17,693)	(41,907)
January	2,237,900	2,266,600	2,256,480	(28,700)	(18,580)	(10,120)
February	2,110,000	2,099,500	2,160,338	10,500	(50,338)	60,838
March	1,973,700	1,910,200	2,087,855	63,500	(114,155)	177,655
April	1,840,200	1,953,400	1,889,867	(113,200)	(49,667)	(63,533)
May	1,691,400	1,763,200	1,675,040	(71,800)	16,360	(88,160)
June	1,840,300	1,975,200	1,876,440	(134,900)	(36,140)	(98,760)
<b>Total assessments:</b>	<b>\$ 24,449,800</b>	<b>\$ 24,772,400</b>	<b>\$ 25,016,830</b>	<b>\$ (322,600)</b>	<b>\$ (567,030)</b>	<b>\$ 244,430</b>
				<b>(1.3%)</b>	<b>(2.3%)</b>	<b>1.0%</b>



(1) Actual data through April 2021 and estimated data beyond.

**Connecticut Green Bank  
FY 2022 General Operations Budget - DRAFT  
RGGI Auction Receipts**

	<b>FY22 Action #</b>	<b>Price</b>	<b>Allowances</b>	<b>FY22 Budget</b>	<b>FY21 Budget</b>	<b>FY21 Actual</b>	<b>YOY Budget Incr / (Decr)</b>	<b>FY21 Budget vs. Projected</b>
September Auction	53	\$ 7.49	840,120	\$ 1,447,275	\$ 1,098,600	\$ 1,364,194	\$ 348,675	\$ 265,594
December Auction	54	\$ 7.38	840,121	\$ 1,426,021	1,082,600	1,482,213	343,421	399,613
March Auction	55	\$ 7.27	946,960	\$ 1,583,412	1,029,900	1,713,547	553,512	683,647
June Auction	56	\$ 7.16	997,530	\$ 1,642,732	1,069,100	1,892,932	573,632	823,832
Total auction receipts:				<u>\$ 6,099,440</u>	<u>\$ 4,280,200</u>	<u>\$ 6,452,886</u>	<u>\$ 1,819,240</u>	<u>\$ 2,172,686</u>



**Connecticut Green Bank  
FY 2022 RSIP Budget - DRAFT  
REC Revenue**

Tranche	Description	FY22 Budget - DRAFT					Total Fiscal 2021 Budget	YOY Budget Incr / (Decr)	FY21 Actual	FY21 Budget vs. Actual
		Fiscal Q1 2022	Fiscal Q2 2022	Fiscal Q3 2022	Fiscal Q4 2022	Total Fiscal 2022				
		Calendar Q1 2021	Calendar Q2 2021	Calendar Q3 2021	Calendar Q4 2021	Total Calendar Year 2021	Total Calendar Year 2020	YOY Budget Incr / (Decr)	Total Calendar Year 2020	Calendar 2020 Budget vs. Actual
SHREC T1	P90 Generation (mWh)	8,762	15,139	14,623	6,659	45,183	45,136	47	44,745	(391)
SHREC T1	Revenue @ \$50 / mWh	\$ 438,099	\$ 756,953	\$ 731,171	\$ 332,946	\$ 2,259,169	\$ 2,256,795	\$ 2,374	\$ 2,237,250	\$ (19,545)
SHREC T2	P90 Generation (mWh)	11,284	19,209	18,584	8,588	57,665	56,729	935	56,893	164
SHREC T2	Revenue @ \$49 / mWh	\$ 552,919	\$ 941,244	\$ 910,615	\$ 420,791	\$ 2,825,569	\$ 2,779,745	\$ 45,824	\$ 2,787,757	\$ 8,012
SHREC T3	P90 Generation (mWh)	6,938	12,170	11,775	5,253	36,136	37,882	(1,746)	38,811	929
SHREC T3	Revenue @ \$48 / mWh	\$ 333,024	\$ 584,160	\$ 565,200	\$ 252,144	\$ 1,734,528	\$ 1,818,339	\$ (83,811)	\$ 1,862,928	\$ 44,589
SHREC T4	P90 Generation (mWh)	10,724	18,996	18,345	8,140	56,205	57,968	(1,763)	56,872	(1,096)
SHREC T4	Revenue @ \$47 / mWh	\$ 504,028	\$ 892,812	\$ 862,215	\$ 382,580	\$ 2,641,635	\$ 2,724,478	\$ (82,843)	\$ 2,672,984	\$ (51,494)
SHREC T5	P90 Generation (mWh)	10,587	18,193	17,212	7,679	53,671	-	53,671	-	-
SHREC T5	Revenue @ \$35 / mWh	\$ 370,531	\$ 636,770	\$ 602,425	\$ 268,772	\$ 1,878,497	\$ -	\$ 1,878,497	\$ -	\$ -
	Total SHREC Revenue	\$ 2,198,601	\$ 3,811,938	\$ 3,671,626	\$ 1,657,233	\$ 11,339,399	\$ 9,579,357	\$ 1,760,042	\$ 9,560,919	\$ (18,438)
		Calendar Q1 2021	Calendar Q2 2021	Calendar Q3 2021	Calendar Q4 2021	Total Calendar Year 2021	Total Calendar Year 2020	YOY Budget Incr / (Decr)	Total Calendar Year 2020	Calendar 2020 Budget vs. Actual
Non-SHREC	P90 Generation (mWh)	-	-	-	40,000	40,000	41,000	(1,000)	51,945	10,945
Non-SHREC	Revenue @ \$19.14375 <sup>*</sup> / mWh	\$ -	\$ -	\$ -	\$ 765,750	\$ 765,750	\$ 589,500	\$ 176,250	\$ 1,005,410	\$ 415,910
	Commission Expense	-	-	-	(10,000)	(10,000)	(10,250)	250	(12,986)	(2,736)
	Total Non-SHREC Revenue	\$ -	\$ -	\$ -	\$ 755,750	\$ 755,750	\$ 579,250	\$ 176,500	\$ 992,424	\$ 413,174
	Total REC Revenue	\$ 2,198,601	\$ 3,811,938	\$ 3,671,626	\$ 2,412,983	\$ 12,095,149	\$ 10,158,607	\$ 1,936,542	\$ 10,553,343	\$ 394,736

**Notes:**

\*The Green Bank manages its price risk by selling its Non-SHREC RECs in advance to buyers. To date we have sold 31,500 @ \$19.25/REC and 8,500 @ \$18.75/REC for a weighted average price of \$19.14375.

**Connecticut Green Bank**  
**FY 2022 Operations and Program Budget - DRAFT**  
**Staffing Plan**

Position / Department	Durational Ending	Name	Staffing Budget Hours			Staffing Budget FTEs			Staffing Budget \$s		
			FY22	FY21	YOY Variance	FY22	FY21	YOY Variance	FY22	FY21	YOY Variance
<b>Employees Employed Year Over Year</b>											
Associate, Incentive Programs (Durational)	FY22	Attruia, Stephanie	2,080	2,080		1.00	1.00				
Senior Manager, Community Partnerships		Basham, Emily	2,080	2,080		1.00	1.00				
Controller		Cartelli, Shawne	2,080	2,080		1.00	1.00				
Senior Manager, Resource Management & Impact		Charpentier, Lucy	2,080	2,080		1.00	1.00				
Senior Manager, Incentive Programs		Colonis, William	2,080	2,080		1.00	1.00				
Senior Associate, Incentive Programs (Durational)	FY22	DeMaio, Alicia	2,080	2,080		1.00	1.00				
Senior Loan Administrator		Duncan, Catherine	2,080	2,080		1.00	1.00				
Vice President, Financing Programs		Dykes, Mackey	2,080	2,080		1.00	1.00				
VP, General Counsel & Chief Legal Officer		Farnen, Brian	2,080	2,080		1.00	1.00				
President & Chief Executive Officer		Garcia, Bryan	2,080	2,080		1.00	1.00				
EVP and Chief Investment Officer		Hunter, Bert	2,080	2,080		1.00	1.00				
Marketing Manager		Janecko, Andrea	2,080	2,080		1.00	1.00				
Office Manager		Johnson, Barbara	2,080	2,080		1.00	1.00				
Associate, Asset Management and Compliance		Johnson, Karl	2,080	2,080		1.00	1.00				
Senior Manager, Financing Programs & Sr. Counsel		Kovtunenko, Alex	2,080	2,080		1.00	1.00				
Manager, Incentive Programs		Kranich, Ed	2,080	2,080		1.00	1.00				
Senior Manager, Financing Programs		Lembo-Buzzelli, Alysse	2,080	2,080		1.00	1.00				
Associate, Incentive Programs		Lewis, Lynne	2,080	2,080		1.00	1.00				
Legislative Liaison and Associate Director		Macunas, Matt	2,080	2,080		1.00	1.00				
Senior Associate, Incentive Programs (Durational)	FY23	McCarthy, Neil	2,080	2,080		1.00	1.00				
Senior Manager, Clean Energy Finance		Miller, Desiree	2,080	2,080		1.00	1.00				
EVP, Finance and Administration		Murphy, Jane	2,080	2,080		1.00	1.00				
Associate, Incentive Programs (Durational)	FY22	Saavedra, Emma	2,080	2,080		1.00	1.00				
Executive Assistant		Samuels, Cheryl	2,080	2,080		1.00	1.00				
Senior Manager, Marketing and Outreach		Schmitt, Robert	2,080	2,080		1.00	1.00				
Staff Accountant		Schneider, Ariel	2,080	2,080		1.00	1.00				
Managing Director, Operations		Shrago, Eric	2,080	2,080		1.00	1.00				
Senior Accountant		Soares, Natalia	2,080	2,080		1.00	1.00				
Manager, Clean Energy Finance		Stewart, Fiona	2,080	2,080		1.00	1.00				
Associate Director, Marketing & Strategic Communications		Sturk, Rudy	2,080	2,080		1.00	1.00				
Accounting Specialist		Turker, Irene	2,080	2,080		1.00	1.00				
Associate, Incentive Programs		Vigil, Marycruz	2,080	2,080		1.00	1.00				
Associate Director, Special Projects		Waters, Barbara	2,080	2,080		1.00	1.00				
Director, Clean Energy Finance		Yu, Mike	2,080	2,080		1.00	1.00				
		<b>Subtotal</b>	<b>70,720</b>	<b>70,720</b>	<b>-</b>	<b>34.00</b>	<b>34.00</b>	<b>-</b>	<b>\$ 3,755,313</b>	<b>\$ 3,520,033</b>	<b>\$ 235,280</b>
<b>Employees Hired for Open Positions</b>											
Associate Manager, Clean Energy Finance		Beech, David	2,080	2,080		1.00	1.00				
Director, Incentive Programs		Carrillo, Sergio	2,080	2,080		1.00	1.00				
Senior Manager, Financing Programs		Ludwig, Peter	2,080	2,080		1.00	1.00				
Senior Manager, Asset Creation & Oversight		Pyne, Sara	2,080	2,080		1.00	1.00				
Associate Director, Finance and Administration		Smith, Dan	2,080	1,040		1.00	0.50				
Senior Assistant, Financing Programs		Tsitso, Christina	2,080	2,080		1.00	1.00				
		<b>Subtotal</b>	<b>12,480</b>	<b>11,440</b>	<b>1,040</b>	<b>6.00</b>	<b>5.50</b>	<b>0.50</b>	<b>\$ 652,080</b>	<b>\$ 570,486</b>	<b>\$ 81,594</b>

**Connecticut Green Bank  
FY 2022 Operations and Program Budget - DRAFT  
Staffing Plan**

Position / Department	Durational Ending	Name	Staffing Budget Hours			Staffing Budget FTEs			Staffing Budget \$s		
			FY22	FY21	YOY Variance	FY22	FY21	YOY Variance	FY22	FY21	YOY Variance
<b>Open Positions - Vacancies</b>											
Open - Durational - RSIP 1	FY22		2,080	-		1.00	-				
Open - Durational - RSIP 2	FY22		2,080	-		1.00	-				
(1) Open - Operations Assistant			2,080	2,080		1.00	1.00				
<b>Subtotal</b>			<b>6,240</b>	<b>2,080</b>	<b>4,160</b>	<b>3.00</b>	<b>1.00</b>	<b>2.00</b>	<b>\$ 232,428</b>	<b>\$ 174,688</b>	<b>\$ 57,740</b>
<b>Open Positions - Departing Employees</b>											
Senior Contracts Administrator		French, Loyola	1,200	2,080		0.58	1.00				
(2) Open - Contracts Administrator			1,440	-		0.69	-				
Senior Manager, Financing Programs		Zuba, Nicholas	720	2,080		0.35	1.00				
(3) Open - Financing Programs			1,600	-		0.77	-				
(4) Associate Director, Clean Energy Finance		Della Pesca, Rosalind	640	2,080		0.31	1.00				
(5) Senior Policy Advisor to the President		Price, Selya	-	2,080		-	1.00				
<b>Subtotal</b>			<b>5,600</b>	<b>8,320</b>	<b>(2,720)</b>	<b>2.69</b>	<b>4.00</b>	<b>(1.31)</b>	<b>\$ 292,532</b>	<b>\$ 458,078</b>	<b>\$ (165,546)</b>
<b>Open Positions - Contingent (Battery Storage/Environmental Infrastructure)</b>											
(6) New FY21 - Associate Director of Incentive Programs			2,080	1,040		1.00	0.50				
(6) New FY21 - Manager of Incentive Programs			2,080	1,040		1.00	0.50				
(6) New FY21 - Associate, Incentive Programs			1,440	1,040		0.69	0.50				
(7) New FY22 - Environmental Infrastructure			1,440	-		0.69	-				
<b>Subtotal</b>			<b>7,040</b>	<b>3,120</b>	<b>3,920</b>	<b>3.38</b>	<b>1.50</b>	<b>1.88</b>	<b>\$ 391,485</b>	<b>\$ 125,777</b>	<b>\$ 265,708</b>
<b>Total Employees</b>			<b>102,080</b>	<b>95,680</b>	<b>6,400</b>	<b>49.08</b>	<b>46.00</b>	<b>3.08</b>	<b>\$ 5,323,837</b>	<b>\$ 4,849,062</b>	<b>\$ 474,775</b>
<b>Interns</b>											
Intern - Finance 1			480	480		0.23	0.23				
Intern - CI&I 1			480	480		0.23	0.23				
Intern - RSIP 1			1,040	480		0.50	0.23				
Intern - RSIP 2			1,040	480		0.50	0.23				
Intern - RSIP 3			-	480		-	0.23				
Intern - Legal 1			480	480		0.23	0.23				
<b>Total Interns</b>			<b>3,520</b>	<b>2,880</b>	<b>640</b>	<b>1.69</b>	<b>1.38</b>	<b>0.31</b>	<b>\$ 73,333</b>	<b>\$ 60,000</b>	<b>\$ 13,333</b>
<b>Total Employees and Interns</b>			<b>105,600</b>	<b>98,560</b>	<b>7,040</b>	<b>50.77</b>	<b>47.38</b>	<b>3.38</b>			

	Compensation Dollars		
Employees	\$ 5,132,033	\$ 4,712,391	\$ 419,642
Merit Pool - 4.0%	191,804	136,671	55,133
Promotion Pool - 1.5%	81,812	71,157	10,655
Intern Pool	73,333	60,000	13,333
<b>Subtotal Compensation Employees and Interns:</b>	<b>5,478,983</b>	<b>4,980,219</b>	<b>498,763</b>
Temporary Employees	-	20,000	(20,000)
<b>Total Compensation Employees, Interns and Temps:</b>	<b>\$ 5,478,983</b>	<b>\$ 5,000,219</b>	<b>\$ 478,763</b>

- (1) Position vacant due to departure of Craig Connolly in FY20. Repurposed position to support Managing Director of Operations for additional responsibilities.
- (2) Position vacant due to departure of Loyola French in FY22.
- (3) Position vacant due to departure of Nicholas Zuba in FY22.
- (4) Position vacant due to departure of Rosalind Della Pesca in FY22.
- (5) Position vacant due to departure of Selya Price in FY22.
- (6) SB 952 passed in 2021 legislative session. Subject to PURA decision in Docket 17-12-03RE03, personnel and operating expenses are subject to change.
- (7) **HB 6441 passed in 2021 legislative session.**

**Connecticut Green Bank  
FY 2022 Program Budget - DRAFT  
Program Loans**

<b>Program Type - CGB portfolio loan (Asset) advances</b>											
Dept	Prg Code	Prg Name	Description	Interest Rate	Term in Years	FY22 Budget					FY21 Budget
						Q1	Q2	Q3	Q4	Total	
Multi	52250	Multifamily Pgms	C4C Lime facility draws	4.0%	15	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 200,000	\$ 500,000
<b>Total MultiFamily Program Loans:</b>						\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 200,000	\$ 500,000
Resi	52220	LMI Programs	Posigen	5.0%	10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Resi 1-4 Program Loans:</b>						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CI&I	51800	CPACE	CGB Portfolio	Current/Future Pipeline	5.60%	17.5	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 5,000,000
CI&I	51800	CPACE	3rd party lending RFP	Greenworks Lending	5.25%	5	-	-	-	-	3,000,000
CI&I	52307	Solar PPA Development	PPA State		3.0%	20	2,250,000	2,250,000	2,250,000	2,250,000	10,000,000
CI&I	52307	Solar PPA Development	PPA Municipality		3.75%	20	-	782,400	782,400	782,400	2,347,200
CI&I	51810	New Product Dev.	PPA Developers		4.50%	20	314,250	314,250	314,250	314,250	1,257,000
CI&I	51810	New Product Dev.	PPA Debt to 3rd parties		4.50%	15	1,025,000	1,025,000	1,025,000	1,025,000	2,500,000
CI&I	53002	SBEA/BEA	Regular Loan Purchases		3.50%	4	361,750	361,750	361,750	361,750	1,447,000
Multi	52250	Multifamily Programs	PPA Multifamily		4.25%	20	-	-	135,000	135,000	270,000
<b>Total CI&amp;I Program Loans:</b>						\$ 5,201,000	\$ 5,983,400	\$ 6,118,400	\$ 6,118,400	\$ 23,421,200	\$ 22,544,000
Finance	52200	CE Finance Prg	PPA Sub Debt into IPC Fund	Debt financing	5.5%	15	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
Finance	52200	CE Finance Prg	Strategic Investments	Fort Hill Ag-Grid	5.0%	10	-	-	-	-	750,000
Finance	52200	CE Finance Prg	Strategic Investments	FuelCell Groton	8.0%	10	3,200,000	-	-	-	3,200,000
Finance	52305	Hydro Projects	Strategic Investments	Canton Hydro	5.0%	10	-	-	-	-	-
Finance	52200	CE Finance Prg	Strategic Investments	Unspecified	4.0%	10	-	-	2,500,000	2,500,000	5,000,000
<b>Total CE Finance Program Loans:</b>						\$ 3,200,000	\$ -	\$ 2,500,000	\$ 2,500,000	\$ 8,200,000	\$ 9,250,000
<b>Total of all Program Loans:</b>						\$ 8,401,000	\$ 5,983,400	\$ 8,718,400	\$ 8,718,400	\$ 31,821,200	\$ 32,294,000

<b>Program Type - CGB Loans: Additions to Provision for Loan Losses for FY22 Investments</b>											
	Prob.	Ratio	FY22 Budget					FY21 Budget			
			Q1	Q2	Q3	Q4	Total				
<b>Total MultiFamily Program Loans:</b>	85%	10%	\$ -	\$ -	\$ 19,975	\$ 19,975	\$ 39,950	\$ 42,500			
<b>Total CI&amp;I Program Loans-CPACE:</b>	85%	10%	106,250	106,250	106,250	106,250	425,000	680,000			
<b>Total CI&amp;I Program Loans-New Product Development</b>	85%	10%	113,835	113,835	113,835	113,835	455,340	1,062,500			
<b>Total CI&amp;I Program Loans-Solar PPA Development</b>	85%	2%	38,250	51,552	51,552	51,552	192,906	-			
<b>Total CE Finance Program Loans:</b>	75%	10%	240,000	-	187,500	187,500	615,000	693,750			
<b>Total Provision for Loan Losses:</b>			\$ 498,335	\$ 271,637	\$ 479,112	\$ 479,112	\$ 1,728,196	\$ 2,478,750			

<b>Program Type - Interest Expense</b>											
Dept	Prg	Prg Name	Description	Interest Rate	Term	FY22 Budget					FY21 Budget
						Q1	Q2	Q3	Q4	Total	
Multi	52251	Multifamily	HDF/MacArthur Interest Expense - \$5.0m draw	1.0%	15	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 50,000	\$ 50,000
SI	51100	RSIP	Interest Expense-SHREC ABS - Class A	5.1%	15	413,418	412,993	397,112	383,738	1,607,261	1,717,175
SI	51100	RSIP	Interest Expense-SHREC ABS - Class B	7.0%	15	27,963	27,944	26,870	25,964	108,742	116,178
SI	51100	RSIP	Interest Expense-Green Liberty Bond 2020	0.95%-2.90%	15	87,783	86,424	85,064	85,064	344,335	529,765
SI	51100	RSIP	Interest Expense-Green Liberty Bond 2021	3.5%	15	115,563	115,420	115,276	115,276	461,536	-
SI	51100	RSIP	Liberty/Webster SHREC Warehouse - Tranche 3	4.5%	1	-	-	-	-	-	32,000
SI	51100	RSIP	Liberty/Webster SHREC Warehouse - Tranche 4	4.5%	1	-	-	-	-	-	120,000
Finance	52200	CE Finance Prg	Amlagamated LOC - CTSL1/CTSLN1	4.1%	1	600	600	600	600	2,400	72,000
Finance	52200	CE Finance Prg	Amlagamated LOC - HACPACE	4.1%	1	-	-	-	-	-	50,000
Finance	52302	CREBs	New England Hydro CREBs net of Treasury Subsidy	4.09%	20	-	5,165	-	7,465	12,630	12,038
Finance	52302	CREBs	CSCU CREBs net of Treasury Subsidy	4.9%	20	-	48,667	-	72,508	121,175	126,765
<b>Total</b>						\$ 657,828	\$ 709,712	\$ 637,422	\$ 703,116	\$ 2,708,079	\$ 2,825,921

**Connecticut Green Bank  
FY 2022 Program Budget - DRAFT  
Credit Enhancements**

Credit Enhancements - Additions to Loan Loss Reserves - ARRA Funds									
Dept	Prg Code	Prg Name	Description	FY22 Budget					FY21 Budget
				Q1	Q2	Q3	Q4	Total	
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
				-	-	-	-	-	-
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Credit Enhancements - Additions to Loan Loss Reserves - DEEP Funds									
Dept	Prg Code	Prg Name	Description	FY22 Budget					FY21 Budget
				Q1	Q2	Q3	Q4	Total	
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
				-	-	-	-	-	-
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Credit Enhancements - Additions to Loan Loss Reserves - CGB Funds									
Dept	Prg Code	Prg Name	Description	FY22 Budget					FY21 Budget
				Q1	Q2	Q3	Q4	Total	
Resi	52210	SmartE	CGB/Smart E loans	\$ 59,479	\$ 70,447	\$ 45,559	\$ 52,308	\$ 227,794	\$ 227,794
Multi	52230	CHIF PEL	CHIF/MPEL product	-	-	-	-	-	-
				\$ 59,479	\$ 70,447	\$ 45,559	\$ 52,308	\$ 227,794	\$ 227,794

Credit Enhancements - Interest rate Buydowns - ARRA Funds									
Dept	Prg Code	Prg Name	Description	FY22 Budget					FY21 Budget
				Q1	Q2	Q3	Q4	Total	
Resi	52211	SmartE ARRA IRB	CGB/Smart E loans	\$ 425,000	\$ 425,000	\$ -	\$ -	\$ 850,000	\$ 1,592,491
				-	-	-	-	-	-
				\$ 425,000	\$ 425,000	\$ -	\$ -	\$ 850,000	\$ 1,592,491

Credit Enhancements - Interest rate Buydowns - CGB Funds									
Dept	Prg Code	Prg Name	Description	FY22 Budget					FY21 Budget
				Q1	Q2	Q3	Q4	Total	
Resi	52210	SmartE	CGB/Smart E EV Loans	-	-	-	-	-	-
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**Connecticut Green Bank  
 FY 2022 Program Budget - DRAFT  
 Financial Incentives - Grants and Rebates**

FY22 Budget
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Dept	Program Code	Program Name	Description	Q1	Q2	Q3	Q4	FY22 Budget	FY21 Budget	FY21 YTD Actuals
SI	51100	RSIP	PBI Incentives	\$ 4,075,398	\$ 1,671,342	\$ 2,343,060	\$ 2,922,890	\$ 11,012,690	\$ 11,021,268	\$ 9,890,918
SI	51100	RSIP	EPBB Incentives	1,343,300	1,490,600	1,666,100	1,200,000	5,700,000	5,695,271	4,539,597
SI	52600	Federal Programs	CESA Grant	-	-	-	-	-	21,600	-
SI	52600	Federal Programs	Other Federal Grants	10,000	10,000	10,000	10,000	40,000	8,400	26,055
GenOps	99999	GenOps	Sustainable CT Grant	41,666	41,667	-	41,667	125,000	100,000	100,000
GenOps	99999	GenOps	General CGB Grants	-	-	-	-	-	-	25,000
				<b>\$ 5,470,364</b>	<b>\$ 3,213,609</b>	<b>\$ 4,019,160</b>	<b>\$ 4,174,557</b>	<b>\$ 16,877,690</b>	<b>\$ 16,846,539</b>	<b>\$ 14,581,570</b>

**Connecticut Green Bank  
FY 2022 Budget - DRAFT  
Department: Statutory & Infrastructure**

	Fiscal Year 06/30/2022	Fiscal Year 06/30/2021	YOY Budget		Fiscal YTD As of 6/14/21	Budget vs Actual
	Budget	Budget	\$ Variance	% Variance	Actual	Variance
<b>Revenue</b>						
Operating Income						
REC Sales	11,339,399	9,761,882	1,577,516	16 %	9,560,919	(200,963)
Grant Income-Federal Programs	40,000	30,000	10,000	33 %	13,288	(16,713)
Total Operating Income	11,379,399	9,791,882	1,587,516	16 %	9,574,207	(217,676)
Interest Income	121,879	109,191	12,689	12 %	142,469	33,279
Other Income	0	0	0	0 %	14,274	14,274
<b>Total Revenue</b>	<b>\$ 11,501,278</b>	<b>\$ 9,901,073</b>	<b>1,600,205</b>	<b>16 %</b>	<b>\$ 9,730,950</b>	<b>(170,123)</b>
<b>Operating Expenses</b>						
Compensation and Benefits						
Employee Compensation	1,636,164	1,442,731	193,434	13 %	1,154,635	(288,096)
Employee Benefits	1,405,007	1,203,116	201,890	17 %	1,006,605	(196,511)
Total Compensation and Benefits	3,041,171	2,645,847	395,324	15 %	2,161,240	(484,607)
Program Development & Administration	4,371,000	2,194,000	2,177,000	99 %	1,052,072	(1,141,928)
Marketing Expense	241,616	217,346	24,270	11 %	78,877	(138,468)
E M & V	450,000	400,000	50,000	13 %	206,898	(193,103)
Consulting and Professional Fees						
Consulting/Advisory Fees	365,000	396,420	(31,420)	(8) %	240,156	(156,264)
Legal Fees & Related Expenses	92,000	152,000	(60,000)	(39) %	40,911	(111,089)
Bond Issuance Costs	850,000	1,125,000	(275,000)	(24) %	602,724	(522,276)
Total Consulting and Professional Fees	1,307,000	1,673,420	(366,420)	(22) %	883,791	(789,629)
Rent and Location Related Expenses						
Rent/Utilities/Maintenance	90,991	98,495	(7,504)	(8) %	75,682	(22,813)
Telephone/Communication	27,892	26,390	1,501	6 %	10,597	(15,793)
Depreciation & Amortization	200,082	32,492	167,591	516 %	4,712	(27,780)
Total-Rent and Location Related Expenses	318,965	157,377	161,588	103 %	90,991	(66,386)
Office, Computer & Other Expenses						
Office Expense	31,565	52,983	(21,418)	(40) %	10,648	(42,335)
Insurance	0	70,000	(70,000)	(100) %	41,668	(28,332)
Commitment Fees	0	0	0	0 %	112,639	112,639
Implementation Fees	0	0	0	0 %	10,000	10,000
Subscriptions	10,000	9,000	1,000	11 %	1,000	(8,000)
Training & Education	15,000	17,000	(2,000)	(12) %	4,115	(12,885)
IT Operations	146,930	131,003	15,926	12 %	114,000	(17,004)
Travel, Meeting & Related Expenses	10,000	10,000	0	0 %	4,843	(5,157)
Total-Office, Computer & Other Exp	213,495	289,986	(76,492)	(26) %	298,913	8,926
<b>Total Operating Expenses</b>	<b>9,943,247</b>	<b>7,577,976</b>	<b>2,365,270</b>	<b>31 %</b>	<b>4,772,782</b>	<b>(2,805,195)</b>
<b>Program Incentives and Grants</b>						
Program Expenditures-Federal Grants	125,000	30,000	95,000	317 %	10,400	(19,600)
EPBB/PBI/HOPBI Incentives	16,712,690	16,716,539	(3,849)	(0) %	13,875,103	(2,841,435)
<b>Total Program Incentives and Grants</b>	<b>\$ 16,837,690</b>	<b>\$ 16,746,539</b>	<b>91,151</b>	<b>1 %</b>	<b>\$ 13,885,503</b>	<b>(2,861,035)</b>
<b>Operating Income/(Loss)</b>	<b>\$ (15,279,659)</b>	<b>\$ (14,423,442)</b>	<b>(856,217)</b>	<b>6 %</b>	<b>\$ (8,927,335)</b>	<b>5,496,107</b>
<b>Non-Operating Expenses</b>						
Interest Expense	2,521,873	2,515,114	6,759	0 %	1,782,470	(732,644)
Provision for Loan Loss	0	0	0	0 %	845	845
<b>Total Non-Operating Expenses</b>	<b>\$ 2,521,873</b>	<b>\$ 2,515,114</b>	<b>6,759</b>	<b>0 %</b>	<b>\$ 1,783,315</b>	<b>(731,799)</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>\$ (17,801,532)</b>	<b>\$ (16,938,556)</b>	<b>(862,976)</b>	<b>5 %</b>	<b>\$ (10,710,650)</b>	<b>6,227,906</b>

**Connecticut Green Bank  
FY 2022 Budget - DRAFT**

**Department: Residential - 1-4 Family**

	Fiscal Year 06/30/2022	Fiscal Year 06/30/2021	YOY Budget		Fiscal YTD As of 6/14/21	Budget vs Actual
	Budget	Budget	\$ Variance	% Variance	Actual	Variance
<b>Revenue</b>						
Interest Income	1,361,509	1,218,000	143,509	12 %	1,347,611	129,611
Other Income	0	0	0	0 %	2,300	2,300
<b>Total Revenue</b>	<b>\$ 1,361,509</b>	<b>\$ 1,218,000</b>	<b>143,509</b>	<b>12 %</b>	<b>\$ 1,349,911</b>	<b>131,911</b>
<b>Operating Expenses</b>						
Compensation and Benefits						
Employee Compensation	358,308	286,646	71,662	25 %	273,325	(13,321)
Employee Benefits	315,311	243,649	71,662	29 %	238,313	(5,336)
Total Compensation and Benefits	673,619	530,295	143,324	27 %	511,638	(18,657)
Program Development & Administration	20,000	342,425	(322,424)	(94) %	18,234	(324,191)
Program Administration-IPC Fee	406,511	477,447	(70,937)	(15) %	302,434	(175,013)
Marketing Expense	109,500	127,000	(17,500)	(14) %	116,078	(10,922)
E M & V	3,000	50,000	(47,000)	(94) %	10,000	(40,000)
Consulting and Professional Fees						
Legal Fees & Related Expenses	25,000	25,000	0	0 %	5,504	(19,495)
Total Consulting and Professional Fees	25,000	25,000	0	0 %	5,504	(19,495)
Rent and Location Related Expenses						
Rent/Utilities/Maintenance	19,927	19,569	358	2 %	15,037	(4,532)
Telephone/Communication	6,108	5,243	865	17 %	2,106	(3,138)
Depreciation & Amortization	43,818	6,455	37,363	579 %	936	(5,519)
Total-Rent and Location Related Expenses	69,853	31,267	38,586	123 %	18,079	(13,189)
Office, Computer & Other Expenses						
Office Expense	6,913	10,526	(3,613)	(34) %	1,555	(8,971)
IT Operations	32,178	26,028	6,150	24 %	22,650	(3,377)
Travel, Meeting & Related Expenses	0	2,000	(2,000)	(100) %	528	(1,473)
Total-Office, Computer & Other Exp	39,091	38,554	537	1 %	24,733	(13,821)
<b>Total Operating Expenses</b>	<b>1,346,574</b>	<b>1,621,988</b>	<b>(275,414)</b>	<b>(17) %</b>	<b>1,006,700</b>	<b>(615,288)</b>
<b>Operating Income/(Loss)</b>	<b>\$ 14,936</b>	<b>\$ (403,988)</b>	<b>418,923</b>	<b>(104) %</b>	<b>\$ 343,211</b>	<b>747,199</b>
<b>Non-Operating Expenses</b>						
Interest Rate Buydowns-ARRA	850,000	1,592,491	(742,491)	(47) %	37,057	(1,555,434)
<b>Total Non-Operating Expenses</b>	<b>\$ 850,000</b>	<b>\$ 1,592,491</b>	<b>(742,491)</b>	<b>(47) %</b>	<b>\$ 37,057</b>	<b>(1,555,434)</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>\$ (835,064)</b>	<b>\$ (1,996,478)</b>	<b>1,161,414</b>	<b>(58) %</b>	<b>\$ 306,154</b>	<b>2,302,633</b>

**Connecticut Green Bank  
FY 2022 Budget - DRAFT**

**Department: Multifamily Programs**

	Fiscal Year 06/30/2022	Fiscal Year 06/30/2021	YOY Budget		Fiscal YTD As of 6/14/21	Budget vs Actual
	Budget	Budget	\$ Variance	% Variance	Actual	Variance
<b>Revenue</b>						
Interest Income	206,702	259,423	(52,720)	(20) %	178,138	(81,285)
<b>Total Revenue</b>	<b>\$ 206,702</b>	<b>\$ 259,423</b>	<b>(52,720)</b>	<b>(20) %</b>	<b>\$ 178,138</b>	<b>(81,285)</b>
<b>Operating Expenses</b>						
Compensation and Benefits						
Employee Compensation	61,611	115,190	(53,579)	(47) %	89,841	(25,350)
Employee Benefits	54,217	80,912	(26,694)	(33) %	78,319	(2,591)
Total Compensation and Benefits	115,828	196,102	(80,273)	(41) %	168,160	(27,941)
Program Development & Administration	72,000	420,000	(348,000)	(83) %	157,979	(262,022)
Program Administration-IPC Fee	103,416	497,642	(394,226)	(79) %	411,284	(86,358)
Marketing Expense	0	49,000	(49,000)	(100) %	22,619	(26,381)
E M & V	0	0	0	0 %	1,200	1,200
Consulting and Professional Fees						
Legal Fees & Related Expenses	2,000	7,000	(5,000)	(71) %	0	(7,000)
Total Consulting and Professional Fees	2,000	7,000	(5,000)	(71) %	0	(7,000)
Rent and Location Related Expenses						
Rent/Utilities/Maintenance	3,425	6,498	(3,074)	(47) %	4,992	(1,506)
Telephone/Communication	1,050	1,741	(691)	(40) %	699	(1,042)
Depreciation & Amortization	7,531	2,144	5,387	251 %	311	(1,833)
Total-Rent and Location Related Expenses	12,006	10,383	1,622	16 %	6,002	(4,381)
Office, Computer & Other Expenses						
Office Expense	1,188	3,495	(2,307)	(66) %	506	(2,989)
Training & Education	500	0	500	0 %	394	394
IT Operations	5,530	8,643	(3,113)	(36) %	7,520	(1,123)
Travel, Meeting & Related Expenses	1,000	0	1,000	0 %	0	0
Total-Office, Computer & Other Exp	8,218	12,138	(3,920)	(32) %	8,420	(3,718)
<b>Total Operating Expenses</b>	<b>313,468</b>	<b>1,192,265</b>	<b>(878,797)</b>	<b>(74) %</b>	<b>775,664</b>	<b>(416,601)</b>
<b>Operating Income/(Loss)</b>	<b>\$ (106,765)</b>	<b>\$ (932,842)</b>	<b>826,077</b>	<b>(89) %</b>	<b>\$ (597,526)</b>	<b>335,316</b>
<b>Non-Operating Expenses</b>						
Interest Expense	50,000	50,000	0	0 %	12,500	(37,500)
Provision for Loan Loss	39,950	42,500	(2,550)	(6) %	0	(42,500)
<b>Total Non-Operating Expenses</b>	<b>\$ 89,950</b>	<b>\$ 92,500</b>	<b>(2,550)</b>	<b>(3) %</b>	<b>\$ 12,500</b>	<b>(80,000)</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>\$ (196,715)</b>	<b>\$ (1,025,342)</b>	<b>828,627</b>	<b>(81) %</b>	<b>\$ (610,026)</b>	<b>415,316</b>

**Connecticut Green Bank  
FY 2022 Budget - DRAFT**

**Department: Commercial, Industrial & Institutional**

	Fiscal Year	Fiscal Year	YOY		Fiscal YTD	Budget
	06/30/2022	06/30/2021	Budget	Budget	As of 6/14/21	vs Actual
	Budget	Budget	\$ Variance	% Variance	Actual	Variance
<b>Revenue</b>						
Operating Income						
CPACE Closing Fees	123,000	144,000	(21,000)	(15) %	73,081	(70,919)
PPA Income	0	626,000	(626,000)	(100) %	504,733	(121,267)
LREC/ZREC Income	0	225,000	(225,000)	(100) %	294,165	69,165
<b>Total Operating Income</b>	<b>123,000</b>	<b>995,000</b>	<b>(872,000)</b>	<b>(88) %</b>	<b>871,979</b>	<b>(123,021)</b>
Interest Income	2,924,134	2,868,713	55,421	2 %	2,056,041	(812,671)
Interest Income, Capitalized	340,984	228,114	112,870	49 %	320,588	92,472
Other Income	81,000	93,000	(12,000)	(13) %	221,850	128,850
<b>Total Revenue</b>	<b>\$ 3,469,118</b>	<b>\$ 4,184,827</b>	<b>(715,709)</b>	<b>(17) %</b>	<b>\$ 3,470,458</b>	<b>(714,370)</b>
<b>Operating Expenses</b>						
Compensation and Benefits						
Employee Compensation	1,796,182	1,725,506	70,676	4 %	1,466,969	(258,537)
Employee Benefits	1,572,605	1,458,945	113,659	8 %	1,279,324	(179,621)
<b>Total Compensation and Benefits</b>	<b>3,368,787</b>	<b>3,184,451</b>	<b>184,335</b>	<b>6 %</b>	<b>2,746,293</b>	<b>(438,158)</b>
Program Development & Administration	775,185	497,645	277,540	56 %	243,751	(253,894)
Program Administration-IPC Fee	789,981	235,779	554,203	235 %	191,811	(43,968)
Marketing Expense	569,000	455,496	113,504	25 %	51,931	(403,565)
E M & V	35,000	75,000	(40,000)	(53) %	28,335	(46,665)
Consulting and Professional Fees						
Consulting/Advisory Fees	217,000	175,000	42,000	24 %	115,507	(59,493)
Legal Fees & Related Expenses	90,000	96,000	(6,000)	(6) %	21,238	(74,762)
<b>Total Consulting and Professional Fees</b>	<b>307,000</b>	<b>271,000</b>	<b>36,000</b>	<b>13 %</b>	<b>136,745</b>	<b>(134,255)</b>
Rent and Location Related Expenses						
Rent/Utilities/Maintenance	99,888	117,800	(17,912)	(15) %	90,510	(27,290)
Telephone/Communication	30,620	31,563	(944)	(3) %	13,136	(18,427)
Depreciation & Amortization	219,646	388,517	(168,871)	(43) %	325,203	(63,315)
<b>Total-Rent and Location Related Expenses</b>	<b>350,154</b>	<b>537,880</b>	<b>(187,727)</b>	<b>(35) %</b>	<b>428,849</b>	<b>(109,032)</b>
Office, Computer & Other Expenses						
Office Expense	34,651	63,367	(28,715)	(45) %	14,967	(48,400)
Subscriptions	2,640	0	2,640	0 %	3,530	3,530
Training & Education	6,000	6,000	0	0 %	5,455	(545)
IT Operations	161,297	156,679	4,617	3 %	142,814	(13,865)
Travel, Meeting & Related Expenses	10,500	10,500	0	0 %	47	(10,452)
<b>Total-Office, Computer &amp; Other Exp</b>	<b>215,088</b>	<b>236,546</b>	<b>(21,458)</b>	<b>(9) %</b>	<b>166,813</b>	<b>(69,732)</b>
<b>Total Operating Expenses</b>	<b>6,410,195</b>	<b>5,493,797</b>	<b>916,397</b>	<b>17 %</b>	<b>3,994,528</b>	<b>(1,499,269)</b>
<b>Program Incentives and Grants</b>						
Interest Rate Buydowns-CGB	0	0	0	0 %	(21,692)	(21,692)
<b>Total Program Incentives and Grants</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>	<b>0 %</b>	<b>\$ (21,692)</b>	<b>(21,692)</b>
<b>Operating Income/(Loss)</b>	<b>\$ (2,941,077)</b>	<b>\$ (1,308,970)</b>	<b>(1,632,107)</b>	<b>125 %</b>	<b>\$ (502,379)</b>	<b>806,591</b>
<b>Non-Operating Expenses</b>						
Interest Expense	133,805	138,803	(4,998)	(4) %	117,480	(21,323)
Provision for Loan Loss	1,073,246	1,742,500	(669,254)	(38) %	988,125	(754,375)
<b>Total Non-Operating Expenses</b>	<b>\$ 1,207,051</b>	<b>\$ 1,881,303</b>	<b>(674,252)</b>	<b>(36) %</b>	<b>\$ 1,105,605</b>	<b>(775,698)</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>\$ (4,148,128)</b>	<b>\$ (3,190,273)</b>	<b>(957,855)</b>	<b>30 %</b>	<b>\$ (1,607,971)</b>	<b>1,582,302</b>

**Connecticut Green Bank  
FY 2022 Budget - DRAFT**

**Department: Finance**

	Fiscal Year	Fiscal Year	YOY		Fiscal YTD	Budget
	06/30/2022	06/30/2021	Budget	Budget	As of 6/14/21	vs Actual
	Budget	Budget	\$ Variance	% Variance	Actual	Variance
<b>Revenue</b>						
Operating Income						
REC Sales	755,750	579,250	176,500	30 %	0	(579,250)
PPA Income	640,000	0	640,000	0 %	0	0
LREC/ZREC Income	350,000	60,000	290,000	483 %	71,515	11,515
Total Operating Income	1,745,750	639,250	1,106,500	173 %	71,515	(567,735)
Interest Income	290,460	130,113	160,347	123 %	160,141	30,028
Other Income	0	249,092	(249,091)	(100) %	6,600	(242,492)
<b>Total Revenue</b>	<b>\$ 2,036,210</b>	<b>\$ 1,018,455</b>	<b>1,017,756</b>	<b>100 %</b>	<b>\$ 238,256</b>	<b>(780,199)</b>
<b>Operating Expenses</b>						
Compensation and Benefits						
Employee Compensation	252,258	316,145	(63,887)	(20) %	264,278	(51,868)
Employee Benefits	213,953	260,989	(47,036)	(18) %	230,282	(30,706)
Total Compensation and Benefits	466,211	577,134	(110,923)	(19) %	494,560	(82,574)
Program Development & Administration	5,800	5,445	355	7 %	74,607	69,162
Program Administration-IPC Fee	66,311	155,351	(89,041)	(57) %	129,460	(25,891)
Consulting and Professional Fees						
Consulting/Advisory Fees	240,000	125,000	115,000	92 %	82,283	(42,718)
Legal Fees & Related Expenses	50,000	35,000	15,000	43 %	2,053	(32,947)
Total Consulting and Professional Fees	290,000	160,000	130,000	81 %	84,336	(75,665)
Rent and Location Related Expenses						
Rent/Utilities/Maintenance	14,028	21,584	(7,555)	(35) %	16,584	(4,999)
Telephone/Communication	4,300	5,782	(1,482)	(26) %	2,322	(3,461)
Depreciation & Amortization	30,847	159,160	(128,313)	(81) %	140,402	(18,757)
Total-Rent and Location Related Expenses	49,175	186,526	(137,350)	(74) %	159,308	(27,217)
Office, Computer & Other Expenses						
Office Expense	4,866	11,610	(6,743)	(58) %	1,681	(9,929)
Insurance	0	130,000	(130,000)	(100) %	97,115	(32,885)
Commitment Fees	20,000	20,000	0	0 %	0	(20,000)
Subscriptions	74,120	50,000	24,120	48 %	60,648	10,648
Training & Education	10,000	10,000	0	0 %	11,094	1,094
IT Operations	22,653	28,706	(6,054)	(21) %	24,980	(3,726)
Travel, Meeting & Related Expenses	25,000	35,000	(10,000)	(29) %	0	(35,000)
Total-Office, Computer & Other Exp	156,639	285,316	(128,677)	(45) %	195,518	(89,798)
<b>Total Operating Expenses</b>	<b>1,034,136</b>	<b>1,369,772</b>	<b>(335,636)</b>	<b>(25) %</b>	<b>1,137,789</b>	<b>(231,983)</b>
<b>Operating Income/(Loss)</b>	<b>\$ 1,002,075</b>	<b>\$ (351,317)</b>	<b>1,353,392</b>	<b>(385) %</b>	<b>\$ (899,533)</b>	<b>(548,216)</b>
<b>Non-Operating Expenses</b>						
Interest Expense	2,400	122,000	(119,600)	(98) %	5,636	(116,364)
Provision for Loan Loss	615,000	693,750	(78,750)	(11) %	431,250	(262,500)
<b>Total Non-Operating Expenses</b>	<b>\$ 617,400</b>	<b>\$ 815,750</b>	<b>(198,350)</b>	<b>(24) %</b>	<b>\$ 436,886</b>	<b>(378,864)</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>\$ 384,675</b>	<b>\$ (1,167,067)</b>	<b>1,551,742</b>	<b>(133) %</b>	<b>\$ (1,336,419)</b>	<b>(169,352)</b>

**Connecticut Green Bank  
FY 2022 Budget - DRAFT**

**Department: General Operations**

	Fiscal Year 06/30/2022	Fiscal Year 06/30/2021	YOY Budget		Fiscal YTD As of 6/14/21	Budget vs Actual
	Budget	Budget	\$ Variance	% Variance	Actual	Variance
<b>Revenue</b>						
Operating Income						
Utility Customer Assessments	24,449,800	25,080,817	(631,017)	(3) %	21,465,350	(3,615,467)
RGGI Auction Proceeds-Renewables	6,099,440	4,945,407	1,154,033	23 %	6,452,887	1,507,480
<b>Total Operating Income</b>	<b>30,549,240</b>	<b>30,026,224</b>	<b>523,016</b>	<b>2 %</b>	<b>27,918,237</b>	<b>(2,107,987)</b>
Interest Income	155,675	146,441	9,234	6 %	66,459	(79,982)
Other Income	423,535	100,000	323,535	324 %	338,003	238,003
<b>Total Revenue</b>	<b>\$ 31,128,450</b>	<b>\$ 30,272,665</b>	<b>855,785</b>	<b>3 %</b>	<b>\$ 28,322,699</b>	<b>(1,949,966)</b>
<b>Operating Expenses</b>						
Compensation and Benefits						
Employee Compensation	1,262,011	1,114,000	148,011	13 %	877,521	(236,479)
Employee Benefits	1,102,534	939,165	163,370	17 %	789,817	(149,347)
<b>Total Compensation and Benefits</b>	<b>2,364,545</b>	<b>2,053,165</b>	<b>311,381</b>	<b>15 %</b>	<b>1,667,338</b>	<b>(385,826)</b>
Marketing Expense	738,609	469,199	269,409	57 %	332,283	(136,917)
E M & V	150,000	150,000	0	0 %	40,742	(109,258)
Research and Development	35,000	71,000	(36,000)	(51) %	21,537	(49,463)
Consulting and Professional Fees						
Consulting/Advisory Fees	261,000	208,000	53,000	25 %	27,545	(180,455)
Accounting and Auditing Fees	267,750	258,350	9,400	4 %	128,181	(130,169)
Legal Fees & Related Expenses	20,000	50,000	(30,000)	(60) %	12,708	(37,292)
<b>Total Consulting and Professional Fees</b>	<b>548,750</b>	<b>516,350</b>	<b>32,400</b>	<b>6 %</b>	<b>168,434</b>	<b>(347,916)</b>
Rent and Location Related Expenses						
Rent/Utilities/Maintenance	70,184	76,053	(5,869)	(8) %	65,884	(10,169)
Telephone/Communication	21,513	20,378	1,136	6 %	13,219	(7,158)
Depreciation & Amortization	154,328	26,255	128,072	488 %	5,063	(21,193)
<b>Total-Rent and Location Related Expenses</b>	<b>246,025</b>	<b>122,686</b>	<b>123,339</b>	<b>101 %</b>	<b>84,166</b>	<b>(38,520)</b>
Office, Computer & Other Expenses						
Office Expense	24,347	40,912	(16,565)	(40) %	113,905	72,993
Insurance	365,000	90,000	275,000	306 %	109,707	19,708
Subscriptions	5,000	5,000	0	0 %	20,886	15,885
Training & Education	180,000	79,000	101,000	128 %	2,653	(76,346)
IT Operations	113,330	101,154	12,176	12 %	132,656	31,501
Travel, Meeting & Related Expenses	48,000	48,000	0	0 %	3,520	(44,480)
<b>Total-Office, Computer &amp; Other Exp</b>	<b>735,677</b>	<b>364,066</b>	<b>371,611</b>	<b>102 %</b>	<b>383,327</b>	<b>19,261</b>
<b>Total Operating Expenses</b>	<b>4,818,606</b>	<b>3,746,466</b>	<b>1,072,140</b>	<b>29 %</b>	<b>2,697,827</b>	<b>(1,048,639)</b>
<b>Program Incentives and Grants</b>						
Financial Incentives-CGB Grants	0	100,000	(100,000)	(100) %	100,000	0
<b>Total Program Incentives and Grants</b>	<b>\$ 0</b>	<b>\$ 100,000</b>	<b>(100,000)</b>	<b>(100) %</b>	<b>\$ 100,000</b>	<b>0</b>
<b>Operating Income/(Loss)</b>	<b>\$ 26,309,844</b>	<b>\$ 26,426,199</b>	<b>(116,355)</b>	<b>(0) %</b>	<b>\$ 25,524,872</b>	<b>(901,327)</b>
<b>Non-Operating Expenses</b>						
Unrealized (Gain) Loss	0	0	0	0 %	(3,999,995)	(3,999,995)
Realized (Gain) Loss	0	0	0	0 %	3,774,874	3,774,874
<b>Total Non-Operating Expenses</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>	<b>0 %</b>	<b>\$ (225,121)</b>	<b>(225,121)</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>\$ 26,309,844</b>	<b>\$ 26,426,199</b>	<b>(116,355)</b>	<b>(0) %</b>	<b>\$ 25,749,993</b>	<b>(676,206)</b>

**Connecticut Green Bank  
FY 2022 Budget - DRAFT  
Department: Marketing**

	Battery Storage		CPACE FY22 Budget	Smart-E FY22 Budget	Solar PPA FY22 Budget	Total Programs FY22 Budget	General Operations FY22 Budget	Total CGB		YOY Budget		Fiscal YTD As of 06/14/21 Actual	Budget vs. Actual Variance
	RSIP FY22 Budget	FY22 Budget						FY22 Budget	FY21 Budget	\$ Variance	% Variance		
<b>Marketing-Membership Dues and Sponsorships</b>													
MAR-MS-01 Dues	74,650	0	0	0	0	74,650	61,558	136,208	115,340	20,868	18%	104,581	10,759
MAR-MS-02 Sponsorships	0	0	0	0	0	0	74,900	74,900	64,950	9,950	15%	19,150	45,800
<b>Total</b>	<b>74,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>74,650</b>	<b>136,458</b>	<b>211,108</b>	<b>180,290</b>	<b>30,818</b>	<b>17%</b>	<b>123,731</b>	<b>56,559</b>
<b>Marketing-Research</b>													
MAR-RS-01 Research	0	0	0	0	0	0	40,000	40,000	45,000	(5,000)	-11%	-	45,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>40,000</b>	<b>45,000</b>	<b>(5,000)</b>	<b>-11%</b>	<b>-</b>	<b>45,000</b>
<b>Marketing-Websites</b>													
MAR-WB-01 Hosting	0	0	0	0	0	0	6,936	6,936	12,189	(5,253)	-43%	23,339	(11,150)
MAR-WB-02 Maintenance	12,016	0	2,000	0	0	14,016	4,850	18,866	37,616	(18,750)	-50%	18,387	19,229
MAR-WB-03 Design	0	0	0	0	0	0	80,000	80,000	20,000	60,000	300%	11,000	9,000
<b>Total</b>	<b>12,016</b>	<b>0</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>14,016</b>	<b>91,786</b>	<b>105,802</b>	<b>69,805</b>	<b>35,997</b>	<b>52%</b>	<b>52,726</b>	<b>17,079</b>
<b>Marketing-Events</b>													
MAR-EV-02 Expenses	6,000	0	5,000	0	0	11,000	33,900	44,900	42,000	2,900	7%	6,653	35,347
<b>Total</b>	<b>6,000</b>	<b>0</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>11,000</b>	<b>33,900</b>	<b>44,900</b>	<b>42,000</b>	<b>2,900</b>	<b>7%</b>	<b>6,653</b>	<b>35,347</b>
<b>Marketing-Branding</b>													
MAR-BR-01 Strategy	0	0	0	0	0	0	10,000	10,000	5,000	5,000	100%	5,695	(695)
MAR-BR-02 Premiums	0	0	0	0	0	0	8,500	8,500	14,000	(5,500)	-39%	712	13,288
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18,500</b>	<b>18,500</b>	<b>19,000</b>	<b>(500)</b>	<b>-3%</b>	<b>6,407</b>	<b>12,593</b>
<b>Marketing-Agency Management</b>													
MAR-AM-01 Agency Fees	7,000	0	0	0	0	7,000	69,500	76,500	88,000	(11,500)	-13%	62,500	25,500
MAR-AM-02 Tools	0	0	0	0	0	0	26,265	26,265	21,801	4,464	20%	21,689	112
<b>Total</b>	<b>7,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,000</b>	<b>95,765</b>	<b>102,765</b>	<b>109,801</b>	<b>(7,036)</b>	<b>-6%</b>	<b>84,189</b>	<b>25,612</b>
<b>Marketing-Public Relations</b>													
MAR-PR-01 Public Relations	6,000	0	0	0	0	6,000	48,600	54,600	51,000	3,600	7%	51,844	(844)
<b>Total</b>	<b>6,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,000</b>	<b>48,600</b>	<b>54,600</b>	<b>51,000</b>	<b>3,600</b>	<b>7%</b>	<b>51,844</b>	<b>(844)</b>
<b>Marketing-Outreach</b>													
MAR-OR-01 Outreach	0	50,000	3,000	45,000	361,250	459,250	5,000	464,250	287,500	176,750	61%	-	287,500
<b>Total</b>	<b>0</b>	<b>50,000</b>	<b>3,000</b>	<b>45,000</b>	<b>361,250</b>	<b>459,250</b>	<b>5,000</b>	<b>464,250</b>	<b>287,500</b>	<b>176,750</b>	<b>61%</b>	<b>-</b>	<b>287,500</b>
<b>Marketing-Paid Media</b>													
MAR-PM-01 SEO	0	1,594	0	0	0	1,594	19,125	20,719	60,000	(39,281)	-65%	-	60,000
MAR-PM-02 Paid Search	0	1,594	0	21,250	0	22,844	19,125	41,969	56,000	(14,031)	-25%	38,450	17,550
MAR-PM-03 Email	0	1,594	0	0	0	1,594	19,125	20,719	1,000	19,719	1972%	-	1,000
MAR-PM-04 Social Media	20,000	1,594	0	21,250	0	42,844	19,125	61,969	35,000	26,969	77%	24,000	11,000
MAR-PM-05 Display	10,000	1,594	12,750	0	0	24,344	19,125	43,469	34,000	9,469	28%	97,282	(63,282)
MAR-PM-06 Print	15,000	1,594	0	0	0	16,594	19,125	35,719	20,650	15,069	73%	-	20,650
MAR-PM-07 TV/Radio	9,000	1,593	0	0	0	10,593	19,125	29,718	45,000	(15,282)	-34%	66,950	(21,950)
MAR-PM-08 OOH	0	1,593	0	0	0	1,593	19,125	20,718	9,000	11,718	130%	-	9,000
<b>Total</b>	<b>54,000</b>	<b>12,750</b>	<b>12,750</b>	<b>42,500</b>	<b>0</b>	<b>122,000</b>	<b>153,000</b>	<b>275,000</b>	<b>260,650</b>	<b>14,350</b>	<b>6%</b>	<b>226,682</b>	<b>33,968</b>
<b>Marketing-Production</b>													
MAR-PD-01 Direct Mail	8,000	0	0	0	0	8,000	0	8,000	24,900	(16,900)	-68%	6,779	18,121
MAR-PD-02 Print	2,200	3,000	15,000	3,000	0	23,200	600	23,800	6,600	17,200	261%	10,189	(3,589)
MAR-PD-03 Signage	0	0	0	0	0	0	0	0	0	-	100%	340	(340)
MAR-PD-04 Photography/Footage	0	0	0	0	0	0	5,000	5,000	10,000	(5,000)	-50%	-	10,000
MAR-PD-05 Video	6,000	0	0	16,000	0	22,000	50,000	72,000	54,500	17,500	32%	5,000	49,500
MAR-PD-06 Digital	0	0	10,000	3,000	0	13,000	60,000	73,000	44,000	29,000	66%	5,279	38,721
<b>Total</b>	<b>16,200</b>	<b>3,000</b>	<b>25,000</b>	<b>22,000</b>	<b>0</b>	<b>66,200</b>	<b>115,600</b>	<b>181,800</b>	<b>140,000</b>	<b>41,800</b>	<b>30%</b>	<b>27,587</b>	<b>112,413</b>
<b>Marketing-Incentive Promotions</b>													
MAR-IP-01 Incentive Promotions	0	0	60,000	0	0	60,000	0	60,000	77,996	(17,996)	-23%	-	77,996
<b>Total</b>	<b>0</b>	<b>0</b>	<b>60,000</b>	<b>0</b>	<b>0</b>	<b>60,000</b>	<b>0</b>	<b>60,000</b>	<b>77,996</b>	<b>(17,996)</b>	<b>-23%</b>	<b>-</b>	<b>77,996</b>
<b>Marketing-Relationship Managers</b>													
MAR-RM-01 Relationship Managers	0	0	100,000	0	0	100,000	0	100,000	35,000	65,000	186%	21,969	13,031
<b>Total</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>	<b>35,000</b>	<b>65,000</b>	<b>186%</b>	<b>21,969</b>	<b>13,031</b>
<b>Total Marketing Expenses</b>	<b>175,866</b>	<b>65,750</b>	<b>207,750</b>	<b>109,500</b>	<b>361,250</b>	<b>920,116</b>	<b>738,609</b>	<b>1,658,725</b>	<b>1,318,042</b>	<b>340,683</b>	<b>26%</b>	<b>601,788</b>	<b>716,254</b>



**Connecticut Green Bank**  
**FY 2022 General Operations and Program Budget - FINAL**  
**Consulting, Professional Fees and EM&V**

		FY22 Budget			FY21 Budget		
		General			General		
		Operations	Programs	Total	Operations	Programs	Total
<b>Summary:</b>							
681100	Consulting Fees	\$ 261,000	\$ 822,000	\$ 1,083,000	\$ 208,000	\$ 696,420	\$ 904,420
682150	Accounting	267,750	-	267,750	258,350	-	258,350
682200	Legal - General	20,000	274,000	294,000	50,000	335,000	385,000
683100	E M & V	150,000	488,000	638,000	150,000	525,000	675,000
682250	Bond Issuance Costs	-	850,000	850,000	-	1,125,000	1,125,000
		<b>\$ 698,750</b>	<b>\$ 2,434,000</b>	<b>\$ 3,132,750</b>	<b>\$ 666,350</b>	<b>\$ 2,681,420</b>	<b>\$ 3,347,770</b>
<b>Detail:</b>							
<b><u>Consulting Fees</u></b>							
GenOps	Risk Management/Insurance (RMI Associates)	\$ 30,000		\$ 30,000	\$ 30,000		\$ 30,000
GenOps	Strategic Plan/Process Improvement Consulting	125,000		125,000	125,000		125,000
GenOps	Delisa Group	6,000		6,000	-		-
GenOps	Compensation Consultant	50,000		50,000	3,000		3,000
GenOps	Vulnerable Communities and Resiliency Assessment	50,000		50,000	50,000		50,000
Total Program Expenses			822,000	822,000		696,420	696,420
		<b>\$ 261,000</b>	<b>\$ 822,000</b>	<b>\$ 1,083,000</b>	<b>\$ 208,000</b>	<b>\$ 696,420</b>	<b>\$ 904,420</b>
<b><u>Accounting</u></b>							
GenOps	Annual Audit-CGB CAFR/Federal Single Audit	\$ 76,400		\$ 76,400	\$ 75,000		\$ 75,000
GenOps	Sage Intacct Accounting software annual license	40,000		40,000	32,000		32,000
GenOps	Limelight software subscription	10,000		10,000	10,000		10,000
GenOps	Intacct software implementation/custom work	5,000		5,000	5,000		5,000
GenOps	FloQast Annual Fee	20,000		20,000	20,000		20,000
GenOps	Techatlantis: 1099 Filing Software	750		750	750		750
GenOps	Wipfli LLP Positive Pay	600		600	600		600
GenOps	Year end W-2 prep for CGB EE Life Insurance	5,000		5,000	5,000		5,000
GenOps	SOC2 Audit	60,000		60,000	55,000		55,000
GenOps	CAFR non-financial statistics review	40,000		40,000	35,000		35,000
GenOps	Accounting consulting on GASB implementations	10,000		10,000	20,000		20,000
		<b>\$ 267,750</b>	<b>\$ -</b>	<b>\$ 267,750</b>	<b>\$ 258,350</b>	<b>\$ -</b>	<b>\$ 258,350</b>
<b><u>Legal</u></b>							
GenOps	General	\$ 20,000		\$ 20,000	\$ 50,000		\$ 50,000
Total Program Expenses			274,000	274,000		335,000	335,000
		<b>\$ 20,000</b>	<b>\$ 274,000</b>	<b>\$ 294,000</b>	<b>\$ 50,000</b>	<b>\$ 335,000</b>	<b>\$ 385,000</b>
<b><u>E M &amp; V</u></b>							
GenOps	Organization EM&V	\$ 75,000		\$ 75,000	\$ 75,000		\$ 75,000
GenOps	Paul Horowitz	75,000		75,000	75,000		75,000
Total Program Expenses			488,000	488,000		525,000	525,000
		<b>\$ 150,000</b>	<b>\$ 488,000</b>	<b>\$ 638,000</b>	<b>\$ 150,000</b>	<b>\$ 525,000</b>	<b>\$ 675,000</b>

**Connecticut Green Bank  
 FY 2022 General Operations Budget - DRAFT  
 Research and Development Expenditures**

<b>Project</b>	<b>Purpose</b>	<b>FY22 Budget</b>	<b>FY21 Budget</b>	<b>FY21 Actuals</b>
Renewable Thermal Technology	RH&C	\$ 25,000	\$ 40,000	\$ -
Environmental Infrastructure	Planning for expanded Mission	50,000	-	-
LMI	Energy Burden in Transportation Study		21,000	17,787
EMV	Joint Jobs Study with EEB	10,000	10,000	3,750
		<u>\$ 85,000</u>	<u>\$ 71,000</u>	<u>\$ 21,537</u>

**Connecticut Green Bank**  
**FY 2022 General Operations Budget - DRAFT**  
**Other Operating Expenses**

	FY22 Budget	FY21 Budget	YOY Incr / (Decr)
<b>Rent</b>	\$ 304,694	\$ 340,000	\$ (35,306)
<b>Telephone/Communications</b>	\$ 93,400	\$ 91,100	\$ 2,300
<b>Office expense</b>	\$ 105,700	\$ 182,900	\$ (77,200)
<b>IT operations</b>	\$ 492,012	\$ 452,218	\$ 39,794
<i>Noncapitalized hardware &amp; supplies</i>	\$ 15,210	\$ 15,210	\$ -
<i>Software Maintenance/Annual Licenses/Services</i>	\$ 75,000	\$ 55,000	\$ 20,000
<i>Consultant/IT Support Services</i>	\$ 161,000	\$ 209,876	\$ (48,876)
<i>Network Costs</i>	\$ 240,802	\$ 172,132	\$ 68,670
<b>Staff development/continuing education</b>	\$ 211,500	\$ 112,000	\$ 99,500
<b>Subscriptions</b>	\$ 91,760	\$ 64,000	\$ 27,760
<b>Travel &amp; Travel Related Expense</b>	\$ 94,500	\$ 105,500	\$ (11,000)
<b>Lender Fees</b>	\$ 20,000	\$ 20,000	\$ -
<b>Insurance</b>	\$ 365,000	\$ 290,000	\$ 75,000
<b>Depreciation &amp; Amortization</b>	\$ 670,000	\$ 613,857	\$ 56,143
<b>Total:</b>	<u>\$ 2,448,566</u>	<u>\$ 2,271,575</u>	<u>\$ 176,991</u>
<b>Operating expenses excluding rent and depreciation:</b>	<u>\$ 1,473,872</u>	<u>\$ 1,317,718</u>	<u>\$ 156,154</u>

**Connecticut Green Bank  
FY 2022 General Operations Budget - DRAFT  
Capital Expenditure Budget**

	<b>FY22 Budget</b>	<b>FY21 Budget</b>	<b>FY21 Actuals</b>
<b><u>IT Hardware &amp; Software</u></b>			
New/Replacement Desktops & Laptops	\$ 30,000	\$ 30,000	\$ 30,138
Conference room equipment	15,000	-	-
	<b>\$ 45,000</b>	<b>\$ 30,000</b>	<b>\$ 30,138</b>
<b><u>Office Furniture &amp; Equipment</u></b>			
New Location-Cubicles/Furniture	\$ 8,000	\$ 325,000	
New Location-AV Equipment	9,000	52,000	-
New Location-EV Charging Stations	15,000	30,000	-
	<b>\$ 32,000</b>	<b>\$ 407,000</b>	<b>\$ -</b>
<b><u>Leasehold Improvements</u></b>			
New Location-Buildout in excess of allowance	\$ -	\$ 100,000	\$ 530,578
New Location-Security	-	19,500	-
New Location-Cabling	-	52,000	-
New Location-Architecture/Engineering	-	65,000	-
New Location-Project Management	-	50,000	-
New Location-Contingency	-	75,000	-
New Location-White Noise/Sound Proofing	23,000	-	-
New Location-Fixes	15,000	-	-
New Location- Mini split for IT closet	16,000	-	-
	<b>\$ 54,000</b>	<b>\$ 361,500</b>	<b>\$ 530,578</b>
<b>Total Capital Expenditures</b>	<b>\$ 131,000</b>	<b>\$ 798,500</b>	<b>\$ 560,716</b>

**Connecticut Green Bank  
FY 2022 General Operations Budget - DRAFT  
Strategic Partners**

Partner	Department	Year of		Work Performed	FY22 Budget	FY21 Budget
		RFP	RFP			
Adnet Technologies, LLC	General Operations	Y	2021	IT Outsourcing	\$ 380,000	\$ 380,000
Clean Power Research, LLC	Infrastructure	Y	2020	PowerClerk Software	470,000	475,000
Alter Domus (formerly Cortland)	Financing Programs	Y	2020	CPACE - Loan Servicing	152,000	127,600
CSW, LLC.	Financing Programs	Y	2019	State & Municipal PPA Development	451,250	250,000
Inclusive Prosperity Capital	Multiple	N <sup>(1)</sup>		Program Execution and Investment Management	1,366,220	1,366,220
AlsoEnergy LLC	Infrastructure	Y	2020	Monitoring Platform, Active Monitoring, RGM replacement	1,033,000	985,000
ReCurve Analytics	Financing Programs	Y	2018	CPACE EM&V	-	75,000
DNV (includes what was formerly ERS)	Financing Programs	Y	2021	CPACE Technical Administrator, SHREC Due Diligence	209,000	122,000
CliftonLarsonAllen	General Operations	Y	2021	Auditing Services	133,400	125,000
Guidehouse (aka Navigant)	Incentives	Y	2021	Battery storage and social impact methodologies	300,000	100,000
Sustainable CT	Marketing	N <sup>(2)</sup>		Support with financing programs in communities	125,000	100,000
GO, LLC	Marketing	Y	2018	Support for CPACE and Green Liberty Bonds marketing	-	231,000
Adams & Knight	Marketing	Y	2019	Smart-E Digital Marketing; web hosting	-	120,000
Strategic Environmental Associates	Financing Programs	N <sup>(3)</sup>		Carbon Offset Customer Acquisition	160,000	150,000
Environmental Control, Inc., d.b.a ENCON	General Operations	Y	2017	Servicing PPA systems from a technical perspective	-	275,000
C-TEC Solar, LLC	Multiple	Y	2021	Servicing PPA systems from a technical perspective	286,667	-
Stark Raving	Marketing	Y	2021	Marketing Strategy, Media purchases, Website design	355,000	-
					<b>\$ 5,421,537</b>	<b>\$ 4,881,820</b>

**Inclusive Prosperity Capital Breakdown**

PSA	Human Capital Component	Administrative Component	FY22 Budget	FY21 Budget
Commercial Solar	\$ 760,632	\$ 29,350	\$ 789,982	\$ 235,779
LMI / Inv Management	220,938	8,500	\$ 229,438	361,962
Smart-E	234,384	9,000	\$ 243,384	270,837
Multifamily	99,516	3,900	\$ 103,416	497,642
	<b>\$ 1,315,470</b>	<b>\$ 50,750</b>	<b>\$ 1,366,220</b>	<b>\$ 1,366,220</b>

<sup>(1)</sup> The Board of Directors of the Green Bank, per the Sustainability Strategy Pathway which was approved on December 15, 2017, reviewed and approved a series of agreements between the Green Bank and Inclusive Prosperity Capital on July 27, 2018 and July 18, 2019. Per the Comprehensive Plan of the Green Bank, IPC is a strategic partner of the organization.

<sup>(2)</sup> The Board of Directors of the Green Bank reviewed and approved a \$100,000 grant as a Strategic Selection for Sustainable CT on September 12, 2019 as part of the Research and Development budget to deliver measurable impact for the Solar PPA, C-PACE, and Solar for All programs. Per the Comprehensive Plan of the Green Bank, Sustainable CT is a strategic partner of the organization.

<sup>(3)</sup> The Green Bank has been working with Strategic Environmental Associates for several years on developing the methodology for the EV Carbon Offsets program. We have not done an RFP for their current role due to their unique familiarity with the standards they developed.



# Memo

**To:** Budget, Operations, and Compensation Committee

**From:** Sergio Carrillo (Director of Incentive Programs), Mackey Dykes (VP of Financing Programs and Officer), Brian Farnen (General Counsel and CLO), Bryan Garcia (President and CEO), Bert Hunter (EVP and CIO), Jane Murphy (EVP of Finance and Administration), and Eric Shrago (Managing Director of Operations)

**Date:** June 16, 2021

**Re:** Sustainability Plan Update – Request to Extend PSAs and Modify MOU with Inclusive Prosperity Capital

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## Background

On October 31, 2017, the Connecticut General Assembly (“CGA”) adopted a budget that swept \$14.0 million a year of ratepayer funds through the Clean Energy Fund (“CEF”) and \$2.3 million a year of Regional Greenhouse Gas Initiative (“RGGI”) allowance proceeds for a total of \$32.6 million over FY 2018 and FY 2019 – more than 50% of the public revenues received by the Connecticut Green Bank (“Green Bank”).

On December 15, 2017, in response to legislative sweeps, the Board of Directors of the Green Bank approved of a financial Sustainability Pathway (“Sustainability Plan”) to enable the organization to manage through the sweeps while continuing to deliver on its mission and purpose.<sup>1</sup> The Sustainability Plan would pivot the Green Bank away from an investment strategy since inception geared towards maximizing leverage of private capital towards one focused on retaining more investments on the Green Bank’s own balance sheet that collectively earn a rate of return that generate sufficient revenues to make the Green Bank financially sustainable over time.

The Sustainability Plan includes the following three (3) key elements:

1. **Incentive Programs** – managing the cash flow demands on the Green Bank as a result of administering the statutorily required Residential Solar Investment Program (“RSIP”),<sup>2</sup> by successfully securitizing Solar Home Renewable Energy Credits (“SHRECs”). This would enable the Incentive Programs to fully cost recover its expenses, including incentives, administration, financing, and other costs associated with the RSIP

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<sup>1</sup> “Financially Wounded, Pioneering CT Green Bank Has a Path Forward” by Matt Pilon of the Hartford Business Journal (January 8, 2018)

<sup>2</sup> CGS 16-245ff

administration through the sale of SHRECs and 15-year Master Purchase Agreements (“MPAs”) between the Green Bank and the Electric Distribution Companies (“EDCs”);

2. **Financing Programs** –reducing operating expenses and implementing an investment strategy that generates cash flow (i.e., returns of principal and interest) from a portfolio of investments that delivers an average 5% return over a 10-year term to enable Financing Programs to breakeven in 4 to 7 years; and
3. **Nonprofit Organization** – cofounding a mission-aligned independent 501(c)3 nonprofit organization (i.e., Inclusive Prosperity Capital – “IPC”) to efficiently deliver capital to underserved segments of the market in Connecticut and beyond, while transitioning certain staff at the Green Bank to become employees of this nonprofit organization and helping the Green Bank reduce its operating expenses over time as it pursues financial sustainability.

This memo provides a status update on the implementation of the Sustainability Plan (i.e., since December 15, 2017)<sup>3</sup> following on the legislative sweeps of FY 2018 and FY 2019, and requests an extension to the Professional Services Agreements (“PSA”) and modifications to the Memorandum of Understanding (“MOU”) between the Green Bank and IPC.

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### **Incentive Programs**

The first key element of the Sustainability Plan was to manage the cash flow impacts of Incentive Programs (i.e., RSIP) on the Green Bank. By aligning the upfront cash flow needs of the incentives required to support the implementation of the RSIP (i.e., expected performance based buydowns – “EPBB”; performance-based incentives – “PBI”), as well as support for the ongoing administrative and financing needs of the program, the revenues generated over time from the sale of SHRECs through an MPA with the EDCs could be monetized and then securitized through a funding warehouse and issuance of revenue bonds respectively – see Figure 1.

The Green Bank was able to monetize the value of the SHRECs by structuring a funding warehouse (i.e., line of credit) secured by the SHRECs with local banks (i.e., Webster Bank and Liberty Bank), enabling the Green Bank to make the requisite payment to the State General Fund, manage near-term cash flow liquidity needs, and then repay this line of credit by successfully securitizing the expected future stream of revenues (i.e., over 15 years) by issuing bonds (e.g., Green Liberty Bonds) from the sale of SHRECs to the EDCs through the MPA – see Table 1.<sup>4</sup>

And in so doing, the Green Bank’s debut into the asset backed security and municipal bond markets was recognized with innovation awards by Environmental Finance and The Bond Buyer.

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<sup>3</sup> Note – Sustainability Plan update also provided at the June 28, 2019 Board of Directors meeting

<sup>4</sup> “Amid Cash Shortfall, CT Green Bank Engineers a Financial Lifeline” by Matt Pilon of the Hartford Business Journal (April 29, 2019)

**Figure 1. Incentive Programs – Cost Recovery through Cash Flow Management**



When panels produce electricity for a home, they also produce **Solar Home Renewable Energy Credits (SHRECs)**. The Green Bank provides upfront incentives through RSIP and collects all the SHRECs produced per statute (i.e., PA 15-194).

Utilities required to enter into **15-year Master Purchase Agreement (MPA) with the Green Bank to purchase the stream of SHRECs produced**. This helps utilities comply with their clean energy goals (i.e., Class I RPS).

**Green bonds are created** from the SHREC revenues received through the MPA and **sold to institutional** (i.e., pension funds, insurance companies, etc.) and **retail investors** (i.e., friends and family) to **receive proceeds upfront**.

The Green Bank uses the SHREC revenues and green bond proceeds to **support the RSIP incentives** (i.e., PBI and EPBB), **cover admin costs**, and **financing costs** to achieve **350 MW of solar PV deployment and development of local solar PV industry**

**Table 1. Overview of SHREC Tranches and the Associated Bond Proceeds Raised and Estimated Revenues**

Tranche	# of Projects	Installed Capacity (kW)	SHREC Price (\$/MWh)	Bond Proceeds (\$MM's)	Est. RSIP Incentives (\$MM's)	Est. 15-Year SHREC Revenues <sup>5</sup> (\$MM's)
1	6,796	49,200	\$50	\$16.5	\$19.1	\$33.9
2	7,258	59,800	\$49	\$22.1	\$20.5	\$40.5
3	4,818	39,300	\$48	\$16.1	\$11.9	\$26.4
4	6,956	59,400	\$47	\$24.8	\$17.7	\$38.9
5	7,266	61,900	\$35	TBD	\$16.2	\$30.6
6	3,711	31,500	TBD	TBD	\$5.3	TBD
<b>Total</b>	<b>36,805</b>	<b>301,200</b>		<b>\$79.5</b>	<b>\$90.8</b>	<b>\$170.3</b>

The estimated revenues from the sale of SHRECs over 15-years of \$170.3 MM will cover the expenses of the RSIP incentives (i.e., estimated at \$90.8 MM), as well as the ongoing administrative (e.g., staffing, metering) and financing (i.e., bond issuance costs, interest expense) expenses over the life of the program – see Table 2.<sup>67</sup>

<sup>5</sup> P90 estimate of cumulative SHRECs produced over 15-years for each Tranche: Tranche 1 = 677,872; Tranche 2 = 826,677; Tranche 3 = 549,659; Tranche 4 = 826,640; and Tranche 5 = 875,120 for a total of 3,755,968 SHRECs

<sup>6</sup> It should be noted that before January 1, 2015, that there were 6,689 RSIP projects totaling 48,900 kW of deployment and \$54.9 MM of incentives that were not subject to cost recovery under CGS 16-245ff. The RECs generated from these projects are sold into the open market through spot and future contracts to support those entities required to meet the Class I RPS.

<sup>7</sup> It should also be noted that the Board of Directors approved of an additional 32 MW of project approvals (i.e., SHREC-E projects”) under the RSIP that is above and beyond the public policy goal of 350 MW in order to (1) achieve the public



**Table 2. Administrative and Financing Expenses<sup>8</sup> for RSIP (CY15 through CY20)**

<b>Administrative and Financing Expenses</b>	<b>CY15</b>	<b>CY16</b>	<b>CY17</b>	<b>CY18</b>	<b>CY19</b>	<b>CY20</b>	<b>Total</b>
Operating	\$3.3	\$3.6	\$3.2	\$3.3	\$5.9	\$4.7	\$24.0
Non-Operating	\$0.0	\$0.1	\$0.0	\$0.2	\$1.8	\$2.5	\$4.6
Total Financing and Administrative Expenses	\$3.3	\$3.7	\$3.2	\$3.4	\$7.7	\$7.2	\$28.6

Through CY20, the administrative and financing expenses have been \$28.6 MM.

☑ **Incentive Programs** – the successful monetization and securitization of SHRECs helps the Green Bank manage its cash flows in the near and mid-terms through funding warehouses and issuances of green bonds to enable the Green Bank to continue its statutory implementation of the RSIP by providing incentives to homeowners and third-party owners, while covering the ongoing administrative and financing expenses of the RSIP.

It should be noted that the successful implementation of the RSIP by the Green Bank will have fostered the sustained orderly development of a local solar industry through the deployment of no less than 350 MW of residential solar PV since its launch in March of 2012. As the market transitions to the EDC implementation of the renewable energy tariffs<sup>9</sup> starting January 1, 2022, the Green Bank will turn its Incentive Program focus to co-administering a battery storage incentive program with the EDCs for residential and non-residential end-use customers starting January 1, 2022.<sup>10</sup> The Green Bank will be responsible for catalyzing another clean energy market in battery storage supporting a PURA-determined target<sup>11</sup> for behind the meter battery storage of 580 MW by the end of 2030,<sup>12</sup> while fostering the sustained orderly development of a local battery storage industry, through the administration of an incentive program that is cost-recoverable (i.e., like the RSIP) based on the overall performance of the program.

### **Financing Programs**

The second key element of the Sustainability Plan was to both reduce operating expenses (i.e., personnel and non-personnel related operating expenses), manage non-operating expenses (e.g., loan losses), and increase earned revenues (e.g., interest income)<sup>13</sup> through

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policy target (i.e., given attrition of approved projects), and (2) support the sustained orderly development of the market as it manages through COVID-19 and transitions from net metering to a tariff form of compensation. The Green Bank has engaged a Load Serving Entity to purchase RECs through a forward contract for the first several years of the SHREC-E projects.

<sup>8</sup> Administrative expenses include operating expenses (i.e. personnel and non-personnel related operating expenses) and non-operating expenses (i.e., interest expense and provision for loan losses) as tracked in RSIP Historical P&Ls dashboard in Intacct

<sup>9</sup> CGS 16-244z

<sup>10</sup> Resulting from the passage of SB 952 “An Act Concerning Energy Storage,” and a subsequent decision by the Public Utilities Regulatory Authority (“PURA”) through Docket No. 17-12-03RE03

<sup>11</sup> Straw proposal by PURA under Docket No. 17-12-03RE03

<sup>12</sup> Note – the recent passage of SB 952 “An Act Concerning Energy Storage” establishes a 1,000 MW storage target, including both behind the meter and front of the meter projects

<sup>13</sup> Earned revenues are all revenues except CEF, RGGI, and SHRECs (i.e., SHRECs are earned revenues for Incentive Programs)

Financing Programs (e.g., C-PACE, Green Bank Solar PPA). The strategy of reducing operating expenses, managing non-operating expenses, and increasing earned revenues would put the Green Bank’s Financing Programs on a pathway to sustainability, or breakeven, where the operating and non-operating expenses would be offset by the earned revenues from projects financed.

*Operating Expense Reductions*

Reducing personnel-related operating expenses (“PROpEx”) (i.e., salary and benefits) and non-personnel related operating expenses (e.g., program development and administration, marketing, EM&V, etc.), together are total operating expenses (“TOpEx”), is a component of the sustainability strategy for Financing Programs. Beyond TOpEx, prudently managing investments (e.g., minimizing loan losses), will keep non-operating expenses to a minimum so that total expenses (“TEEx”) are managed.

It should be noted that even though the Green Bank reports employee pension (“P”) and other post-employment benefits (“OPEB”) (together “POPEB”) in its non-personnel related operating expenses, that the State of Connecticut (i.e., as Primary Government) is responsible to pay these benefits through the Connecticut State Employee Retirement System. Therefore, in terms of TOpEx and TEEx, POPEB is excluded.

The Green Bank has made steady progress reducing PROpEx, TOpEx, and TEEx over time – see Table 3.<sup>14</sup>

**Table 3. Operating and Non-Operating Expense Reductions (FY17 through FY21 YTD) – Actuals (\$MM’s)**

Expenses	FY17	FY18	FY19	FY20	FY21 (YTD)
PROpEx	\$6.7	\$5.8	\$5.6	\$5.4	\$5.5
TOpEx	\$12.7	\$11.0	\$10.7	\$10.6	\$9.3
▪ IPC portion of TOpEx	-	-	\$1.1	\$1.3	\$1.0
TEEx	\$16.9	\$12.1	\$14.2	\$15.9	\$10.7
Pension and OPEB (POPEB)	\$1.7	\$3.4	\$2.8	\$3.7	TBD

From FY17 through FY20, PROpEx has been reduced by \$1.3 MM or 19%, TOpEx has been reduced by \$2.1 MM or 17%, and TEEx has been reduced by \$1.0 MM or 6% – all the while POPEB has increased by \$2.0 MM or 118%.

It should be noted that in FY19 through FY21, included within non-personnel related operating expenses, are those expenses associated with IPC (e.g., \$1.1 MM in FY19).

The Green Bank has made steady progress reducing operating expenses and managing non-operating expenses for Financing Programs from FY17 to FY21 year-to-date.

**Reduce Operating Expenses** – taking into consideration that the State of Connecticut as the primary government is responsible for Green Bank employee pension and OPEB, the Green Bank has made steady progress reducing operating expenses per the Sustainability Plan.

<sup>14</sup> Note – POPEB is removed from the non-personnel related operating expenses within TOpEx and TEEx

### Earned Revenue Increases

Increasing earned revenues from Financing Programs by pursuing a portfolio strategy targeting a 5% return over a 10-year term in FY 2019 and beyond, is another key aspect of the Sustainability Plan as it applies to Financing Programs – see Table 4.

**Table 4. Earned Revenue Increases (FY17 through FY21 YTD) – Actuals (\$MM's)**

<b>Earned Revenues</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21 (YTD)</b>
Fees <sup>15</sup>	\$0.1	\$0.2	\$0.2	\$0.2	\$0.1
PPA Income	\$0.0	\$0.0	\$0.2	\$0.5	\$0.5
LREC/ZREC Income	\$0.0	\$0.0	\$0.0	\$0.3	\$0.4
Interest Income <sup>16</sup>	\$2.5	\$3.1	\$3.8	\$5.8	\$5.2
Other Income <sup>17</sup>	\$0.1	\$0.6	\$1.4	\$0.4	\$0.5
<b>Total Earned Revenues</b>	<b>\$2.8</b>	<b>\$4.0</b>	<b>\$5.8</b>	<b>\$7.1</b>	<b>\$6.8</b>

From FY17 through FY20, earned revenues have increased by \$4.3 MM or 153%.

The Green Bank has made steady progress increasing earned revenues for Financing Programs from FY17 to FY21 year-to-date.

**Increase Earned Revenues** – by investing public revenues (i.e., CEF and RGGI) through its Financing Programs, the Green Bank strengthens its balance sheet by turning cash assets into non-current assets (i.e., loans) that produce earned revenues (e.g., income from fees, sale of ZRECs and LRECs, interest income, etc.). The Green Bank has made steady progress increasing earned revenues per the Sustainability Plan, while at the same time, has invested prudently with a loss rate of less than 0.1%; being good stewards of and managing ratepayer funds enables this capital to be reinvested into additional projects as existing borrowers repay their financings.

### Sustainability Ratios<sup>18</sup>

The Green Bank has made steady progress over the past several fiscal years on several sustainability ratios with respect to its Financing Programs, including:

- **Staffing Sustainability Ratio** – total earned revenues to PROpEx – see Table 5;

**Table 5. Staffing Sustainability Ratio (FY17 to FY21 YTD)**

<b>Revenues or Expenses</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21 (YTD)</b>
Earned Revenues	\$2.8	\$4.0	\$5.8	\$7.1	\$6.8
PROpEx	\$6.7	\$5.8	\$5.6	\$5.4	\$5.5

<sup>15</sup> C-PACE Closing Fee Income and Administrative Service Fee Income

<sup>16</sup> STIF, Intercompany, Solar Lease I Promissory Notes, Bonds C-PACE Sell-downs, Delinquent C-PACE Payments, C-PACE Capitalized, Bank Deposits, HA C-PACE Promissory Notes, C-PACE Not Capitalized, Program Loans, Discount SBEA Loans, and Other

<sup>17</sup> REC Sales – Non SHREC, Cost of Sales – REC Sales, and Other Income

<sup>18</sup> The Green Bank's accounting software Intacct has a Sustainability Ratio dashboard for the Staffing Sustainability Ratio and the Program Sustainability Ratio

Staffing Sustainability Ratio	0.42	0.69	1.02	1.33	1.23
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PROpEx only includes personnel-related operating expenses (i.e., salary and benefits) of the Green Bank staff supporting Financing Programs.

- **Program Sustainability Ratio** – total earned revenues to TOpEx – see Table 6;

**Table 6. Program Sustainability Ratio (FY17 to FY21 YTD)**

Revenues or Expenses	FY17	FY18	FY19	FY20	FY21 (YTD)
Earned Revenues	\$2.8	\$4.0	\$5.8	\$7.1	\$6.8
TOpEx	\$12.7	\$11.0	\$10.7	\$10.6	\$9.3
Program Sustainability Ratio	0.22	0.36	0.54	0.67	0.73

TOpEx includes PROpEx and non-personnel related operating expenses (e.g., IPC, program development and administration, marketing, etc.) less POPEB.

- **Financial Sustainability Ratio** – TEx less POPEB – see Table 7; and

**Table 7. Financial Sustainability Ratio (FY17 to FY21 YTD)**

Revenues or Expenses	FY17	FY18	FY19	FY20	FY21 (YTD)
Earned Revenues	\$2.8	\$4.0	\$5.8	\$7.1	\$6.8
TEx	\$16.9	\$12.1	\$14.2	\$15.9	\$10.7
Financial Sustainability Ratio	0.17	0.33	0.40	0.45	0.63

TEx includes TOpEx and non-operating expenses (e.g., provision for loan losses).

- **State Sustainability Ratio** – total earned revenues to TEx with POPEB – see Table 8.

**Table 8. State Sustainability Ratio (FY17 to FY21 YTD)**

Revenues or Expenses	FY17	FY18	FY19	FY20	FY21 (YTD)
Earned Revenues	\$2.8	\$4.0	\$5.8	\$7.1	\$6.8
TEx with POPEB	\$18.6	\$15.6	\$17.1	\$19.5	\$10.7
State Sustainability Ratio	0.15	0.26	0.34	0.37	0.63

The Sustainability Ratios are demonstrating steady progress towards overall sustainability for Financing Programs. By managing personnel and non-personnel related operating expenses to efficiently and effectively invest public revenues (i.e., CEF and RGGI), and prudently managing non-operating expenses (e.g., loan losses), earned revenues are increased and losses are managed to offset the Green Bank's total expenses for its Financing Programs thereby steadily making progress towards sustainability over time (i.e., sustainability ratio greater than 1.0) – see Table 9.

**Table 9. Sustainability Ratios (FY17 to FY21 YTD)**

Sustainability Ratio	FY17	FY18	FY19	FY20	FY21 (YTD)

Staffing Sustainability Ratio	0.42	0.69	1.02	1.33	1.23
Program Sustainability Ratio	0.22	0.36	0.54	0.67	0.73
Financial Sustainability Ratio	0.15	0.26	0.34	0.37	0.63
State Sustainability Ratio	0.15	0.26	0.34	0.37	0.63

It should be noted that there are other metrics the Green Bank tracks with an eye towards sustainability (e.g., present value of interest income from closed transactions to TOpEx in a given fiscal year) that help direct its overall sustainability strategy and mission.

☑ **Financing Programs** – as a result of reducing operating expenses (i.e., personnel and non-personnel related operating expenses), managing non-operating expenses (e.g., loan losses), and increasing earned revenues (e.g., interest income), the Financing Programs of the Green Bank have made steady progress towards sustainability for its staff, programs, financial position, and the state.

### Inclusive Prosperity Capital

The final element of the Sustainability Plan was to cofound an independent 501(c)3 nonprofit organization<sup>1920</sup> – called Inclusive Prosperity Capital (“IPC”) – for the purposes of reducing operating expenses of the Green Bank, while seeking to support its mission by attracting mission-oriented investors in underserved market segments and providing investment opportunities for the Green Bank.<sup>21</sup>

#### *Operating Expense Reductions – Personnel and Non-Personnel*

The reduction in operating expenses of the Green Bank was from the transition of eight (8) staff members from the Green Bank to the newly created nonprofit organization.<sup>22</sup> Given the high overhead rate of greater than 80%, the Green Bank would save at least 40% from overhead by transitioning former staff members to a newly created nonprofit organization. The Sustainability Plan had committed to six (6) years of support to IPC, including one-hundred percent support (i.e., \$1,366,220) for three (3) years (i.e., FY 2019 through FY 2021), with a reduction to fifty percent support (i.e., \$683,110) for the following three (3) years (i.e., FY 2022 through FY 2024).

The staff of IPC support the mission of the Green Bank through several professional services agreements (“PSA”) – see Table 10.

**Table 10. IPC PSAs for the Green Bank, including Budgets and Full Time Equivalents (“FTE”)**

Product or Program	PSA #	FY 2021 Budget		FY 2022 Proposed Budget	
		Budget	FTE’s	Budget	FTE’s
Smart-E Loan	5410	\$270,837	2.60	\$244,484	2.20

<sup>19</sup> IPC was cofounded by the Connecticut Department of Energy and Environmental Protection (DEEP), Connecticut Green Bank, and the Kresge Foundation

<sup>20</sup> It should be noted that IPC is an independent 501(c)3 nonprofit organization and not a component unit of the Connecticut Green Bank

<sup>21</sup> “CT Green Bank Takes Novel Approach to Preserve Clean Energy Mission” by Matt Pilon of the Hartford Business Journal (August 6, 2018)

<sup>22</sup> State of Connecticut Office of State Ethics Advisory Opinion No. 2018-2 as it applies to Kerry O’Neill, Ben Healey, Kim Stevenson, Chris Magalhaes, John D’Agostino, Madeline Priest, Joe Buonannata, and Elizabeth Johnson

Multifamily	5411	\$497,642	2.30	\$117,866	0.50
Solar PPA	5412	\$235,779	1.25	\$769,432	4.15
Low-to-Moderate Income	5413	\$361,962	1.85	\$234,438	1.15
Total		\$1,366,220	8.00	\$1,366,220	8.00

As evidenced by the table above, starting in Year 4 of the PSAs (i.e., FY 2022), IPC will refocus its efforts from a broad multifamily financing strategy (i.e., energy efficiency, renewable energy, and health & safety) that required significant technical support by consultants (i.e., high non-personnel related operating expenses for the Green Bank), to a more focused and specific Solar PPA financing strategy requiring less outside assistance (i.e., significant reduction in non-personnel related operating expenses for the Green Bank) and a sustainability focus for IPC (i.e., increased Solar PPA activity generally, including on affordable multifamily properties).<sup>23</sup> In an effort to further reduce operating expenses, while refocusing the services provided by IPC, the following reductions to the Green Bank’s non-personnel related operating expenses for program development and administrative costs were identified:

- Smart-E Loan – reduction of \$286,134
- Multifamily – reduction of \$404,298

Over \$690,000 in non-personnel related operating expenses will be reduced in FY 2022 as a result of shifting strategy. This reduction in non-personnel related operating expenses will be offset by an extension to the PSAs and modification to the MOU with IPC – see Request for PSA Extensions and MOU Modification below.

*Supporting the Mission of the Green Bank*

The staff of IPC have assisted the Green Bank in achieving its public mission – see Tables 11 through 13.<sup>24</sup>

**Table 11. IPC Support of Green Bank Mission – # of Projects by Product or Program (FY19-FY20)**

Product or Program	FY 2019 <sup>25</sup>			FY 2020 <sup>26</sup>		
	Target	Actual	% Target	Target	Actual	% Target
Smart-E Loan	540	838	155%	540	737	136%
Multifamily	19	19	100%	10	18	180%
Solar PPA	25	20	80%	18	3	17%
Low-to-Moderate Income	586	847	145%	615	625	106%

**Table 12. IPC Support of Green Bank Mission – Investment (\$MM’s) by Product or Program (FY19-FY20)**

Product or Program	FY 2019			FY 2020		
	Target	Actual	% Target	Target	Actual	% Target
Smart-E Loan	\$8.8	\$10.8	123%	\$7.2	\$10.0	139%

<sup>23</sup> With the recent passage of SB 356 “An Act Establishing an Energy Efficiency Retrofit Grant Program for Affordable Housing,” changes were made to the behind the meter renewable energy tariff policy (i.e., CGS 16-244z) that would define tenants living in affordable multiunit dwellings as “residential customers”. This policy change will enable more development and deployment of behind the meter renewable energy that will reduce the energy burden on individuals and families residing within affordable multifamily properties.

<sup>24</sup> Note – the Solar PPA actual to target is the result of “Lead by Example” with the State of Connecticut taking longer than anticipated to close transactions.

<sup>25</sup> IPC Quarterly Reporting (September 13, 2019) provided to the Board of Directors of the Green Bank (October 25, 2019)

<sup>26</sup> IPC Quarterly Reporting (August 26, 2020) provided to the Board of Directors of the Green Bank (October 23, 2020)

Multifamily	\$2.6	\$3.2	123%	\$1.5	\$9.1	606%
Solar PPA	\$14.1	\$13.4	95%	\$23.5	\$1.4	6%
Low-to-Moderate Income	\$15.6	\$24.7	159%	\$17.2	\$15.7	91%

**Table 13. IPC Support of Green Bank Mission – Deployment (MW) by Product or Program (FY19-FY20)**

Product or Program	FY 2019			FY 2020		
	Target	Actual	% Target	Target	Actual	% Target
Smart-E Loan	1.3	0.9	69%	0.5	0.9	180%
Multifamily	0.1	0.3	344%	0.2	2.0	1000%
Solar PPA	6.3	4.1	66%	10.6	0.4	4%
Low-to-Moderate Income	3.6	6.1	156%	4.2	3.9	93%

From FY 2019 through FY 2020, IPC has supported the Green Bank in meeting its mission through four (4) PSAs. Through Q2 of FY 2021, IPC has continued to deliver measurable results for the Green Bank.<sup>27</sup> Despite the impacts of COVID-19 in FY 2020 and FY 2021, the work of IPC has helped the Green Bank meet its mission in Connecticut.

*Attracting Mission-Oriented Investors to Underserved Markets*

Prior to COVID-19, IPC was making steady progress securing foundation and other investments, including:

- **Hewlett Foundation** – winning a \$250,000 competitive operating grant to support the development of a Smart-E Loan cloud-based program management system in partnership with Michigan Saves. This system has been created (i.e., NGEN) is being used in Connecticut for the Smart-E Loan at a lower cost than prior software technology.
- **Kresge Foundation** – a \$10 MM balance sheet guarantee to support a capital raise from senior lenders of up to \$40 MM, in addition to a 3-year grant of \$300,000 to support the expansion of products outside of Connecticut.
- **McKnight Foundation** – a 2-year grant of \$200,000 to support the expansion of products outside of Connecticut, focused on Illinois and Michigan.

As a result of longer time needed to convince investors of IPC’s business model given its de novo and its nonprofit status, and the impacts of COVID-19, IPC’s capital raise from foundations and other mission-aligned investors was delayed. COVID further delayed the capital raise for over a year, and only until recently has IPC been able to secure additional commitments and investment that is consistent with the expectations outlined from the original business plan, including:

- **New York Green Bank** – with the Kresge Foundation guarantee as a credit enhancement, and the ability to invest resources outside of New York, IPC closed on a lending facility of \$25 MM to support the financing of projects in underserved communities in Q1 of 2020.
- **Elevate Energy/JPB Foundation** – a \$250,000 capital grant to support the creation of a revolving loan fund for a micro line of credit product for small, diverse contractors

<sup>27</sup> IPC Quarterly Reporting (March 10, 2021) provided to the Board of Directors of the Green Bank (March 26, 2021)

working in Illinois and Michigan as part of a Contractor Accelerator Elevate runs, closed Q1 of 2020.

- **Leon Lowenstein Foundation** – a 2-year grant of \$225,000 to support the creation of an Accelerator for clean energy and resilient upgrades to affordable multifamily and community buildings in Buffalo, NY, based on the deep market engagement/outreach model pioneered in Connecticut as part of Green Bank’s multifamily programs, closed Q4 of 2020.
- **Mercy Partnership Fund** – a \$1 MM investment (essentially a PRI, but from a faith-based investor, the Sisters of Mercy) for liquidity needs, closed in Q2 of 2021.
- **Kresge Foundation** – has recently offered up major concessions to covenants under the original guarantee agreement by removing the “no negative change in net assets covenant” recognizing the delays in time taken by investors to get comfortable with the foundation’s guarantee, and delays due to COVID.
- **MacArthur Foundation** – approved a \$5 MM program related investment (“PRI”) with IPC, while seeking to attract an additional \$5 MM PRI from another foundation, with the condition that additional financial support come from the Connecticut Green Bank as a result of the start-up challenges faced by IPC in terms of capital raising, including the impacts COVID has had on their business model targeting a close in Q3 of 2021.
- **McKnight Foundation** – followed MacArthur Foundation and approved a \$5 MM PRI with IPC along similar terms, as well as a \$400,000 2-year operating grant to support IPC’s expansion into the Midwest targeting a close in Q3 of 2021.
- **Schmidt Family Foundation** – looking towards MacArthur Foundation due diligence and considering a \$1 MM PRI targeting a close in Q4 of 2021.
- **Amalgamated Bank** – has recently provided a term sheet to IPC for a \$15 MM senior debt investment utilizing the remainder of the Kresge Foundation guarantee targeting a close in Q3 of 2021. Amalgamated is also considering a separate \$20 MM facility for LMI and community-owned community solar, as part of a \$220 MM fund that Live Oak Bank, Amalgamated Bank and IPC have proposed to DOE’s Loan Programs Office for guarantee support. Target close Q4 of 2021.

It has taken more time than originally anticipated for IPC to raise capital given the start-up nature of the organization, as well as its nonprofit status, convincing other investors of the value proposition, for the type of lending Green Bank has been doing for years, and managing through a global pandemic. Despite working through these challenges, IPC has supported the mission of the Green Bank, while also putting itself into a position to succeed given the recent success it is having raising capital from foundations and other mission-aligned investors.

**Inclusive Prosperity Capital** – the successful creation of IPC by the Green Bank, DEEP, and the Kresge Foundation, has resulted in reductions to operating expenses to the Green Bank and support for the mission of the Green Bank delivering measurable results. It has taken



more time (i.e., 2 years) for IPC to raise the capital it originally sought in its business plan given the complexities of the value proposition (e.g., nonprofit investment fund) and the adverse impacts the global pandemic had on markets.

### Request for PSA Extensions and MOU Modification

Over the past six (6) months, the leadership of the Green Bank and IPC have been discussing the following areas with respect to the four (4) PSAs entered into beginning in FY 2019 and going through FY 2021:

- **Overview of Budgets** – review of the IPC Human Capital and Program Expenses in comparison to Green Bank personnel and non-personnel related operating expenses;
- **Review of Activities and Services** – review of the goals and progress to targets, deliverables, and staff allocations; and
- **Looking Ahead** – review of each of the PSAs, including the statements of work, people, and budget.

In addition to the extensive meetings on the PSAs, the Green Bank and IPC leadership met on the MOU, including the Advisory Opinion (Appendix A), Promissory Note (Appendix B), and Cost Sharing Matrix (Appendix C), as well as the Fee Review Process.

These conversations identified areas where human and financial resources could be reallocated in the future given historical performance, and resulted in a consideration by the Green Bank leadership of IPC's request to extend the PSAs and revise the MOU.

#### *Request for PSA Extensions*

The Sustainability Plan had original support for IPC at the following levels for six (6) years from FY19 through FY24 – see Table 14.

**Table 14. Non-Personnel Related Operating Expenses for IPC Human Capital (FY19 through FY24)**

Budget Allocation	FY19	FY20	FY21	FY22	FY23	FY24
IPC Human Capital	\$1,039,194	\$1,247,206	\$1,315,470	\$657,735	\$657,735	\$657,735
Transitioning Staff	7 <sup>28</sup>	8	8	8	8	8
% Coverage	100%	100%	100%	50%	50%	50%

A non-personnel related operating expense reduction of \$657,735 would be expected in FY22 if the Green Bank were to follow the original Sustainability Plan approved by the Board of Directors on December 15, 2017.

However, the leadership of the Green Bank is requesting that the PSAs with IPC change and be extended an additional two (2) years, for a total of eight (8) years from FY19 through FY26 – see Table 15.

<sup>28</sup> It should be noted that one (1) Connecticut Green Bank staff (i.e., Kim Stevenson) didn't transition to IPC until FY20

**Table 15. Proposed Extension to PSAs between Green Bank and IPC for FY22 through FY26**

<b>Budget Allocation</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>
IPC Human Capital	\$1,315,470	\$1,315,470	\$986,603	\$657,735	\$328,868
Transitioning Staff <sup>29</sup>	8	8	8	8	8
% Coverage	100%	100%	75%	50%	25%

The leadership of the Green Bank is requesting the PSA extensions for the following five (5) reasons:

1. **Sustainability Progress** – as noted in the Incentive Programs and Financing Programs sections above, the Green Bank has made steady progress towards its own sustainability and would be served well by assisting IPC in securing its own sustainability. Many of the staff of IPC were former staff of the Green Bank. They should be given an opportunity for sustainability given their service to the State of Connecticut and the circumstances they found themselves in with respect to the sweeps.
2. **Impact on Mission** – IPC has, and will continue to play an important role in delivering measurable results in support of the Green Bank’s mission, including a renewed emphasis on efforts to reduce the energy burden on affordable multifamily properties through a focus on the Solar PPA product, and a pending battery storage incentive program co-administered by the Green Bank and the EDCs.
3. **Reallocation of Resources** – within the proposed FY22 budget are reductions to the Smart-E and Multifamily non-personnel related operating expenses of \$690,432. This reduction would offset the extension request of the IPC PSAs valued at \$657,735.
4. **Unique Circumstances** – with the loss of their leading finance specialist early on, the challenges for a start-up nonprofit investment fund getting investors comfortable with the business model took more time than anticipated resulting in a slower capital raise than anticipated, and with the onset of COVID in March of 2020, the progress made in capital raising was delayed until such time as the entire market adjusted to a new reality of shelter in place, social distancing, and mask wearing policies until a vaccine was invented, approved, and administered to restore public health. However, IPC is now seeing sustained progress on capital raising, demonstrating that the initial fund thesis is sound, albeit delayed, and now must focus on originating transactions to generate revenues to achieve sustainability.

*Request for MOU Modifications*

The MOU between the Green Bank and IPC included a cost sharing matrix which outlined various services and fees. To support IPC’s continued transition to independence (i.e., not a component unit of the Green Bank), the responsibility of the following costs would immediately be assumed by IPC at 100% beginning in Year 4 (i.e., FY22):

- **Office Space** – space in both the Stamford and Hartford offices

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<sup>29</sup> It should be noted that Ben Healy and Chris Magalhaes are no longer with IPC, as the former joined PosiGen in February, 2019 (and supported IPC part time through July 2019), while the latter was recruited to the DOE’s Loan Program Office in May of 2021. Both of these individuals are finance specialists.

- **Hardware** – computers, monitors, etc.
  - **Software** – MS Office suite
  - **Other** – including program specific technology, general IT infrastructure, and telecommunications
- 

### **Conclusions**

The legislative sweeps of 2017 had a far-reaching impact on the Green Bank requiring it to develop and implement a Sustainability Plan to restructure and maintain its statutory mission. The Incentive Programs and Financing Programs of the Green Bank are delivering exceptional results by increasing public and private investment, helping families and businesses reduce the burden of energy costs, and deploying more clean energy on and within their homes and buildings. Through the successful implementation of these programs, the Green Bank has steadily improved its sustainability – a strategic and adequate response to the devastation caused by the sweeps. IPC was cofounded by the Green Bank, DEEP, and the Kresge Foundation as part of the restructuring strategy, which would extend the impact of the Green Bank both inside and outside its borders through an independent 501(c)3 nonprofit organization. The leadership of the Green Bank is requesting a modification of the Sustainability Plan to include a two (2) year extension to the PSAs and modification of the MOU entered into with IPC.



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