

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

A. Cash and investments (continued)

In June 2022, Green Bank entered into an additional equity investment when 200,000 stock warrants were received from an entity that were subsequently exercised at a net valuation of \$444,434. Half of this value was received in cash, with the remaining balance as shared in and venture capital -energy partnership.

e. Municipal bonds**Subordinate Series 2015B-1 and 2015C-1**

This Series represents two \$955,000 bonds received in connection with Green Bank's August 2015 sale of C-PACE Loans to Clean Fund Holdings, LLC (CFH). CFH paid Green Bank approximately \$7.7 million in cash along with two bonds issued to Green Bank through Public Finance Authority. The 2015 Series bonds carry interest of 5.52% per annum with a maturity date of August 13, 2035. The bonds are secured by the C-PACE loans sold to CFH.

Each bond required semi-annual interest-only payments to Green Bank starting September 10, 2015 and continuing to August 13, 2035. Starting September 10, 2032 and every six months thereafter, principal payments, along with the required interest is to be paid to Green Bank.

In March 2021, a partial redemption reduced the investment of each bond to \$493,396.

In March 2022, an additional partial redemption further reduced each bond to \$222,500.

The repayment terms include semi-annual interest-only payments to Green Bank until March 10, 2033. Beginning March 20, 2033, and every six months thereafter, principal payments, along with the required interest is to be paid to Green Bank continuing to August 13, 2035. In conjunction with the redemption, Green Bank repurchased one of the C-PACE loans which secured the bond cashflows.

Principal maturities of these bonds are as follows:

Year ended			
June 30,	2015B-1	2015C-1	Total
2033	\$ 15,000	\$ 15,000	\$ 30,000
2034	90,000	90,000	180,000
2035	77,500	77,500	155,000
2036	40,000	40,000	80,000
Totals	<u>\$222,500</u>	<u>\$222,500</u>	<u>\$445,000</u>

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As of and for the Year Ended June 30, 2022**A. Cash and investments (continued)****f. Interest rate swap agreement**

CT Solar Lease 2 LLC entered into a multi-year interest rate swap agreement with a bank in September 2014. Payments made and received were based on a notional amount of \$9,076,425 and \$10,346,025 as of June 30, 2022 and 2021, respectively. The agreement provides for CT Solar Lease 2 LLC to receive payments based on the one-month USD-LIBOR-BBA (1.32400% and 0.07288% at June 15, 2022 and 2021, respectively, the dates of the last reset) and to make payments based on fixed interest rates ranging from 1.96% to 2.78%. The KeyBank Agreement matures on December 15, 2025. The fair value of the agreement as of June 30, 2022 was reported as an asset of \$85,517 and as of June 30, 2021 was reported as a liability of \$663,186.

CT Solar Lease 2 LLC entered into a second interest rate swap agreement with a local bank in June of 2017 to meet certain requirements under its credit agreement with the bank as described above. Payments made and received were based on a notional amount of \$283,250 and \$1,306,400 as of June 30, 2022 and 2021, respectively. This agreement provides for CT Solar Lease 2 LLC to receive payments based on the one-month USD-LIBOR-BBA (1.32400% at June 30, 2022 and 0.07288% at June 30, 2021, the date the agreement became effective) and to make payments based on a fixed rate of 2.10%. The agreement matures on June 15, 2027. The fair value of this agreement as of June 30, 2022 was reported as an asset of \$7,590 and as of June 30, 2021 was reported as a liability of \$35,837, respectively.

CT Solar Lease 2 LLC uses the dollar-offset method for evaluating effectiveness of the interest rate swap agreements.

B. Receivables**1. Solar lease notes receivable**

In June of 2008, the predecessor of Green Bank, the Connecticut Clean Energy Fund (CCEF) entered into a Master Lease Program Agreement with CT Solar Leasing LLC, a third-party leasing company, AFC First Financial Corporation, a third-party servicer, and Firststar Development LLC, the tax equity investor, to develop a residential solar PV leasing program in Connecticut. CCEF purchased a total of \$13,248,685 of promissory notes issued by CT Solar Leasing LLC during the period commencing in April of 2009 and ending in February of 2012 to fund the program. Each nonrecourse promissory note is secured by the payments under a specific PV equipment lease, with a rate of interest of 5% and a term of 15 years. Future principal repayments under the program and the current loss reserve are as follows:

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B. Receivables (continued)

<u>Future principal repayments:</u>	
2023	\$ 1,016,267
2024	1,032,935
2025	793,435
2026	386,399
2027	81,836
2028 and thereafter	<u>35,119</u>
Total	3,345,991
Less reserve for losses	<u>(342,330)</u>
Net principal payments	<u>\$ 3,003,661</u>
Current portion	\$ 1,016,267
Non-current portion	<u>1,987,394</u>
Total	<u>\$ 3,003,661</u>

2. Program loans receivable

Outstanding principal balances by program for the years ending June 30, 2022 and 2021, are as follows:

	<u>2022</u>	<u>2021</u>
<u>Loans in repayment for completed projects:</u>		
Connecticut Green Bank		
CPACE program benefit assessments - in repayment	\$ 41,890,513	\$ 44,850,272
Grid-tied program term loans	9,310,442	9,702,181
Multifamily/affordable housing program loans	17,468,701	24,807,923
Alpha/operational demonstration program loans	650,000	650,000
Other program loans	7,475,098	2,542,419
CT Solar Loan I LLC		
Residential solar PV program loans - in repayment	865,378	1,376,215
CEFIA Holdings LLC		
Other program loans	<u>8,417,262</u>	<u>6,724,492</u>
CGB CPACE LLC		
CPACE program benefit assessments - in repayment	<u>1,315,747</u>	<u>-</u>
Total loans in repayment for completed projects	87,393,140	90,653,502
Reserve for loan losses	<u>(10,194,857)</u>	<u>(13,349,104)</u>
Total loans in repayment for completed projects, net	<u>\$ 77,198,283</u>	<u>\$ 77,304,398</u>

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B. Receivables (continued)

	<u>2022</u>	<u>2021</u>
<u>Loan advances for projects under construction:</u>		
Connecticut Green Bank		
CPACE program benefit assessments - under construction	\$ 10,932,147	\$ 10,140,390
Grid-tied program term loans - under construction	<u>3,704,827</u>	<u>4,492,237</u>
Total loan advances for projects under construction	<u>14,636,974</u>	<u>14,632,627</u>
Total program loans receivable (net)	<u>\$ 91,835,257</u>	<u>\$ 91,937,025</u>
Current portion	\$ 9,547,825	\$ 9,038,575
Non-current portion	<u>82,287,432</u>	<u>82,898,451</u>
Total	<u>\$ 91,835,257</u>	<u>\$ 91,937,026</u>

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B. Receivables (continued)

Scheduled repayments of principal under these loans is as follows:

	2023	2024	2025	2026	2027	Thereafter	Total
Connecticut Green Bank							
CPACE program benefit assessments	\$ 2,552,121	\$ 2,642,963	\$ 2,712,178	\$ 2,865,618	\$ 2,934,817	\$ 28,182,816	\$ 41,890,513
Grid-tied program term loans	1,187,861	1,275,427	1,371,376	3,085,920	397,672	1,992,186	9,310,442
Multifamily/affordable housing term loans	4,957,105	2,497,896	4,786,694	1,398,274	1,004,341	2,824,391	17,468,701
Alpha/operational demonstration program loans	650,000	-	-	-	-	-	650,000
Other program loans	567,303	1,530,649	1,038,468	1,098,146	1,189,824	2,050,707	7,475,098
CT Solar Loan I LLC							
Residential solar PV program loans	106,614	109,376	113,145	114,138	114,819	307,286	865,378
CEFA Holdings LLC							
Other program loans	519,200	981,743	554,322	573,797	599,558	5,188,641	8,417,262
CGB CPACE LLC							
CPACE program benefit assessments	54,483	36,135	38,080	40,525	42,922	1,103,602	1,315,747
Total program loan receivables	10,594,687	9,074,190	10,614,263	9,176,418	6,283,953	41,649,629	87,393,140
Reserve for loan losses	(1,046,862)	(275,872)	(457,179)	(500,139)	(77,612)	(7,837,192)	(10,194,857)
Total program receivables, net	\$ 9,547,825	\$ 8,798,318	\$ 10,157,084	\$ 8,676,279	\$ 6,206,341	\$ 33,812,437	\$ 77,198,283

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022**B. Receivables (continued)****CPACE program benefit assessments**

Benefits assessments under the C-PACE program finance energy efficiency upgrades and the installation of renewable energy equipment on non-residential property. These assessments carry interest rates ranging from 3.00% to 6.50% with terms ranging from 10 to 26 years. In addition to normal construction activity, the C-PACE portfolio has also grown over the last three years due to repurchases of benefit assessments from third-party capital providers. On April 18, 2019 Green Bank repurchased 37 benefit assessments from a third-party capital provider and cancelled the related CPACE promissory notes. On January 28, 2021 Green Bank repurchased 8 benefit assessments and on March 2, 2021 Green Bank repurchased a benefit assessment from a third-party capital provider.

Grid-tied program loans

Grid-tied term loans in repayment represent the financing of five projects. The first project is the 15-megawatt Bridgeport Fuel Cell Park from Project 150. The primary term loan carries an interest rate of 8.00% with interest and principal repaid on a monthly basis for a term of 7 years, maturing in May 2026. There is a secondary \$1,800,000 term loan where interest is paid monthly on the outstanding principal balance at a rate of 8.00%, with principal payments beginning in fiscal year 2026. The second project is a 5 mega-watt wind turbine facility in Colebrook, CT. The primary term loan carries an interest rate of 10.00% with interest and principal repaid on a quarterly basis for a term of 15 years, maturing in December 2030. The third project is an anaerobic digestion facility located in Southington, CT. The term loan carries an interest rate of 2.00% and interest and principal are repaid on a quarterly basis. Commencing on May 1, 2018 the borrower is required to make annual payments against principal equal to 50% of excess project cash flow as defined in the loan agreement. The loan matures in December 2031. The fourth project is a combined heat and power facility located in Bridgeport, CT. The loan earns 2.00% interest and interest and principal are paid monthly through December 2037. The fifth project is an anaerobic digester facility located in Thompson, CT. The loan earns 5.00% interest with monthly principal and interest payments through maturity in August 2031.

Additionally, there are two grid-tied program term loans under construction and not in repayment, one for construction of an additional fuel cell project and one for construction of a hydro facility. Both loans will go into repayment upon completion of construction.

Connecticut Green Bank**Notes to Financial Statements
As of and for the Year Ended June 30, 2022****E. Receivables (continued)****Multifamily/affordable housing loans**

Affordable Housing initiatives include providing term loans to two third-party capital providers to finance solar PV installations and energy efficiency measures for low to moderate income households.

Under the first initiative, Green Bank has advanced all funds under a \$15,000,000 term facility with an interest rate of 7.50% payable monthly. In September 2021, this facility was re-structured, decreasing the commitment to \$6,400,000 term financing facility with an interest rate of 7.50% payable monthly, under which \$2,699,423 has been advanced. The maturity date of all advances under this restructured facility is September 2024. Under another agreement with the same capital provider, Green Bank has entered into a \$10,000,000 revolving financing facility secured by Performance Based Incentive earnings of the capital provider. Each facility advance repays principal and interest monthly, with a rate of 7.50% and a term of 6 years. Maturity dates range from December 2024 to April 2026.

Under the second initiative, on March 18, 2020 Green Bank closed a \$6,500,000 facility with a third-party capital provider and moved the existing loan balances under the facility. All notes carry an interest rate of 3.00% payable along with principal on a monthly basis. The notes have terms of 20 years with maturities ranging from December 2025 to March 2040. On December 24, 2019 Green Bank closed an additional \$4,500,000 facility with the same capital provider to house, administer, originate and underwrite loans under the Energy Efficiency Loan Program funded by Eversource. Upon closing the outstanding short-term loan of \$1,500,000 was moved under the facility. The loan has a maturity date of December 24, 2022 and a variable interest rate of the higher of prime plus 0.50% or 3.50%.

Green Bank also originates Multifamily pre-development loans which are advances to developers and owners of multifamily residences to provide funding for project feasibility and site development work. Loans mature in two years and carry either 0.00% or 1.00% interest.

Alpha/operational demonstration program loans

Operational demonstration program loans are residual transactions of the programs of the Connecticut Clean Energy Fund. The loans finance the development of emerging clean energy technologies. Repayment of each loan is based upon the commercial success of the technology and carries an interest rate of 6.00%. If commercial success is not achieved after ten years from the date of the loan agreement, the loan converts to a grant. Connecticut Innovations assists in overseeing these loans.

Other program loans

Other program loans includes loans to third parties to finance solar facilities. Green Bank and CEFIA Holdings LLC each originated a portion of loans to a third party for projects developed by Green Bank. The loans carry an interest rate of 5.25% or 5.50% payable along with principal on a quarterly basis for a term of 15 years. CEFIA Holdings LLC also originated loans from a \$7,000,000 facility to finance tranches of solar projects which were developed by either Green Bank or the third party. These loans carry an interest rate of 5.50% payable along with principal on a quarterly basis for a term of 15 years.

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As of and for the Year Ended June 30, 2022**B. Receivables (continued)**

Other program loans also includes a new six year secured term loan related to energy efficiency upgrades entered into in June 2022. The loan carries an interest rate of 5.50% plus a PIK interest rate of 3.50%. The loan requires interest only payments in the first year and monthly payments thereafter with a maturity date of May 31, 2028.

Other program loans also includes the financing of feasibility studies for various renewable energy projects or energy efficiency upgrades, as well as an energy savings agreement, a working capital loan to a partner who administers programs on behalf of Green Bank, and various loans related to energy efficiency upgrades, energy savings agreements, and solar development and management.

Residential solar PV loans

The residential solar PV loan program administered by CT Solar Loan I LLC makes loans to residential property owners for solar PV installations. Loans carry an interest rate ranging from 6.49% to 6.75% with a term of 15 years.

3. SBEA promissory notes receivable

In December of 2018 Green Bank and Amalgamated Bank entered into a Master Purchase and servicing agreement with Eversource to purchase Small Business Energy Advantage (SBEA) loans. The loans are non-interest bearing for a term of up to 48 months. Eversource sells loans in tranches with the purchase price being determined by discounting each loan. A 4.40% discount, or the initial discount rate, was used for the initial purchase plus all purchases in the first year. For loans purchased after the first anniversary of the initial purchase date, the discount is equal to 30 day LIBOR plus 2.25%, or the ensuing discount rate. Amalgamated Bank purchases 90% of the loan portfolio and Green Bank purchases 10%. Eversource collects monthly payments on customer utility bills and remits to Green Bank and Amalgamated Bank. Amalgamated Bank receives 90% of the scheduled loan payments, with Green Bank's payment being adjusted for any shortfall or overage. In the event of default, the loans are fully backed by the Energy Conservation and Load Management Fund a/k/a Connecticut Energy Efficiency Fund (CEEF) that will reimburse Green Bank. Accordingly, no loan loss reserves were recorded until June of 2020, when CEFIA Holdings LLC decided to record a \$366,200 loan loss reserve as a result of COVID-19. The reserve was meant to absorb the potential short-term cash shortfall that would be incurred by CEFIA Holdings LLC if customers are unable to pay their loans. As of June 30, 2022, the reserve has been released leaving a \$0 loan loss reserve.

In March 2022, the parties signed the Third Amended and Restated Master Purchase and Servicing Agreement that sets forth a change in the percentages purchased by the banks, whereby Amalgamated Bank purchases 80% of the loan portfolio and Green Bank purchases 20%. For loans purchased after the Third Amended and Restated Master Purchase and Servicing Agreement, the discount for loans with a term of four years or less is equal to the greater of 3.00% or the sum of the two-year Treasury Rate plus 2.10%. For loans with terms of more than four years the same formula is used but with the five-year Treasury Rate. For loans purchased after the Third Amended and Restated Master Purchase and Servicing Agreement, Amalgamated Bank receives 80% of the scheduled loan payments, with Green Bank's payment being adjusted for any shortfall or overage.

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As of and for the Year Ended June 30, 2022****B. Receivables (continued)**

On October 21, 2019, Green Bank and CEFIA Holdings LLC entered into an Assignment and Assumption Agreement with Amalgamated Bank and The Connecticut Light and Power Company whereby Green Bank assigned its interests in the Master Purchase and Servicing Agreement to CEFIA Holdings LLC. All qualifying loans that were purchased by Green Bank under the Master Agreement prior to October 2019 were transferred to CEFIA Holdings LLC along with all the duties and obligations required of Green Bank under the original Master Purchase Agreement.

On January 13, 2022, CEFIA Holdings LLC and CGB Green Liberty Notes LLC entered into a participation agreement whereby CGB Green Liberty Notes LLC has agreed to purchase and accept qualifying loans and CEFIA Holdings LLC has agreed to sell and grant CGB Green Liberty Notes LLC a participation interest in certain revenues of CEFIA Holdings LLLC. At the time of the purchase, loans having four or more consecutive months with no customer payments were considered delinquent and not qualifying loans under the participation agreement, and as such CGB Green liberty Notes LLC did not purchase these loans. As of June 30, 2022, CEFIA Holdings LLC has a remaining portfolio valued at \$50,934 related to these loans not included in the purchase.

To finance the purchase of the loan portfolios, Green Bank and CGB Green Liberty Notes LLC have entered into a no-recourse loan, whereby Green Bank agrees to provide loans to CGB Green Liberty Notes LLC in the aggregate principal amount not to exceed \$10,000,000. The promissory note bears a 0.00% interest rate with a maturity date of June 30, 2032, at which time the note must be paid in full. CGB Green Liberty Notes LLC is not required to make installment payments on the promissory note, and the note is eliminated in consolidation of the Primary Government on the Statement of Net Position. CGB Green Liberty Notes LLC purchased qualifying loans from the first 10 tranches valued at \$2,077,799 for \$2,011,524.

During 2022 CEFIA Holdings LLC purchased two tranches of loans: (1) 181 loans valued at \$256,867 for \$246,060 and (2) 136 loans valued at \$211,566 for \$202,861. Additionally, during 2022, CGB Green Liberty Notes LLC purchased two tranches of loans: (1) 185 loans valued at \$350,589 for \$335,115 and (2) 150 loans valued at \$740,538 for \$677,417. During 2021 CEFIA Holdings purchased three tranches of loans: (1) 137 loans valued at \$224,619 for \$215,185, (2) 131 loans valued at \$319,477 for \$304,658 and (3) 170 loans valued at \$333,704 for \$320,083.

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Notes to Financial Statements
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B. Receivables (continued)

Future principal repayments under the program are as follows:

Years Ending June 30,	Loan Portfolio	Discount	Balance
2023	\$ 1,179,861	\$ (49,961)	\$ 1,129,900
2024	672,849	(28,835)	644,014
2025	415,229	(20,455)	394,774
2026	220,914	(14,585)	206,329
2027	16,306	(384)	15,922
Thereafter	14,798	(350)	14,448
Totals	<u>\$ 2,519,957</u>	<u>\$ (114,570)</u>	<u>\$ 2,405,387</u>
Current portion	\$ 1,179,861	\$ (49,961)	\$ 1,129,900
Non-current portion	<u>1,340,096</u>	<u>(64,609)</u>	<u>1,275,487</u>
Total	<u>\$ 2,519,957</u>	<u>\$ (114,570)</u>	<u>\$ 2,405,387</u>

4. Leases receivable

Green Bank reports leases receivable and related deferred inflows of resources and lease revenue and interest revenues related to leases as follows:

2022	Lease Receivable	Deferred Inflows of Resources	Lease Revenue	Lease Interest Revenue
CT Solar Lease 2, LLC				
Residential	\$ 15,129,004	\$ 15,013,917	\$ 1,250,764	\$ 486,245
Commercial	2,070,973	1,973,199	134,900	62,610
CEFIA Solar Services, Inc.				
Commercial	<u>68,819</u>	<u>68,819</u>	-	-
Total	<u>\$ 17,268,796</u>	<u>\$ 17,055,935</u>	<u>\$ 1,385,664</u>	<u>\$ 548,855</u>

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B. Receivables (continued)

<u>2021</u>	<u>Lease Receivable</u>	<u>Deferred Inflows of Resources</u>	<u>Lease Revenue</u>	<u>Lease Interest Revenue</u>
CT Solar Lease 2, LLC				
Residential	\$ 15,951,226	\$ 16,264,681	\$ 1,212,131	\$ 503,482
Commercial	<u>2,156,444</u>	<u>2,108,099</u>	<u>134,900</u>	<u>65,834</u>
Total	<u>\$ 18,107,670</u>	<u>\$ 18,372,780</u>	<u>\$ 1,347,031</u>	<u>\$ 569,316</u>

Leasing is one of CT Solar Lease 2's principal operations. Future principal and interest repayments under the leases are as follows:

<u>Years Ending June 30,</u>	<u>CT Solar Lease 2</u>			<u>CEFIA Solar Services, Inc.</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 984,926	\$ 491,096	\$ 1,476,022	\$ 2,550	\$ 2,030	\$ 4,580
2024	1,024,741	459,632	1,484,373	2,628	1,952	4,580
2025	1,065,743	427,210	1,492,953	2,708	1,872	4,580
2026	1,107,971	393,803	1,501,774	2,790	1,790	4,580
2027	1,151,459	359,379	1,510,838	2,875	1,705	4,580
2028-2032	6,455,573	1,242,775	7,698,348	15,742	7,158	22,900
2033-2037	5,409,564	276,768	5,686,332	18,286	4,614	22,900
2038-2042	-	-	-	21,240	1,660	22,900
Total	<u>\$ 17,199,977</u>	<u>\$ 3,650,663</u>	<u>\$ 20,850,640</u>	<u>\$ 68,819</u>	<u>\$ 22,781</u>	<u>\$ 91,600</u>

CT Solar Lease 2, LLC Residential	Approximately 1,200 residential leases for Solar PV systems. The leases are all 20 years in term, with optional buyouts on each anniversary date beginning with the 5th year. Lease terms vary between fixed and escalating payments, and term at various dates through fiscal year 2036.
CT Solar Lease 2, LLC Commercial	6 commercial CPACE Leases for Solar PV systems. The leases are 20 years in term, with payments made semi-annually through the CPACE benefit assessment program. Lease terms vary between fixed and escalating payments, and term at various dates through fiscal year 2037.
CEFIA Solar Services, Inc. Commercial	Commercial lease agreement for a Solar PV system. The lease is 20 years in term, with payments made semi-annually through January 2042.

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C. Capital assets

Capital asset activity for reporting entity for the years ended June 30, 2022 and 2021 are as follows:

Primary government:

<u>2022</u>	<u>Balance, July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2022</u>
Capital assets being depreciated/ amortized:				
Solar lease equipment	\$ 10,458,582	\$ -	\$ -	\$ 10,458,582
Furniture and equipment	4,952,250	28,866	-	4,981,116
Computer hardware and software	242,176	32,705	-	274,881
Leasehold improvements	323,275	18,879	-	342,154
Right-to-use leased buildings	2,652,294	-	-	2,652,294
Total capital assets being depreciated/ amortized	<u>18,628,577</u>	<u>80,450</u>	<u>-</u>	<u>18,709,027</u>
Less accumulated depreciation and amortization:				
Solar lease equipment	784,119	348,619	-	1,132,738
Furniture and equipment	653,566	226,042	-	879,608
Computer hardware and software	205,219	23,121	-	228,340
Leasehold improvements	16,164	65,284	-	81,448
Right-to-use leased buildings	106,225	252,598	-	358,823
Total accumulated depreciation and amortization	<u>1,765,293</u>	<u>915,664</u>	<u>-</u>	<u>2,680,957</u>
Capital assets, net	<u>\$ 16,863,284</u>	<u>\$ (835,214)</u>	<u>\$ -</u>	<u>\$ 16,028,070</u>
<u>2021 (as restated)</u>	<u>Balance, July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2021</u>
Capital assets being depreciated/ amortized:				
Solar lease equipment	\$ 10,458,582	\$ -	\$ -	\$ 10,458,582
Furniture and equipment	4,733,640	350,354	(131,744)	4,952,250
Computer hardware and software	208,510	33,666	-	242,176
Leasehold improvements	192,027	323,275	(192,027)	323,275
Right-to-use leased buildings	-	2,652,294	-	2,652,294
Total capital assets being depreciated/ amortized	<u>15,592,759</u>	<u>3,359,589</u>	<u>(323,771)</u>	<u>18,628,577</u>
Less accumulated depreciation and amortization:				
Solar lease equipment	435,500	348,619	-	784,119
Furniture and equipment	614,039	170,233	(130,706)	653,566
Computer hardware and software	189,629	15,590	-	205,219
Leasehold improvements	184,994	21,521	(190,351)	16,164
Right-to-use leased buildings	-	106,225	-	106,225
Total accumulated depreciation and amortization:	<u>1,424,162</u>	<u>662,188</u>	<u>(321,057)</u>	<u>1,765,293</u>
Capital assets, net	<u>\$ 14,168,597</u>	<u>\$ 2,697,401</u>	<u>\$ (2,714)</u>	<u>\$ 16,863,284</u>

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C. Capital assets (continued)

Discretely presented component units:

<u>2022</u>	<u>Balance, July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2022</u>
Capital assets being depreciated:				
Solar lease equipment	\$76,483,397	\$ 74,695	\$ (271,553)	\$ 76,286,539
Less accumulated depreciation and amortization:				
Solar lease equipment	13,652,283	2,553,015	(55,585)	16,149,713
Capital assets, net	<u>\$62,831,114</u>	<u>\$(2,478,320)</u>	<u>\$(215,968)</u>	<u>\$ 60,136,826</u>
<u>2021</u>	<u>Balance, July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2021</u>
Capital assets being depreciated:				
Solar lease equipment	\$76,982,287	\$ -	\$ (498,890)	\$ 76,483,397
Less accumulated depreciation and amortization:				
Solar lease equipment	11,178,888	2,564,870	(91,475)	13,652,283
Capital assets, net	<u>\$65,803,399</u>	<u>\$(2,564,870)</u>	<u>\$(407,415)</u>	<u>\$ 62,831,114</u>

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

C. Capital assets (continued)

Total reporting entity:

<u>2022</u>	<u>Balance, July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2022</u>
Capital assets being depreciated/ amortized:				
Solar lease equipment	\$ 86,941,979	\$ 74,695	\$ (271,553)	\$ 86,745,121
Furniture and equipment	4,952,250	28,866	-	4,981,116
Computer hardware and software	242,176	32,705	-	274,881
Leasehold improvements	323,275	18,879	-	342,154
Right-to-use leased buildings	2,652,294	-	-	2,652,294
Total capital assets being depreciated/ amortized	<u>95,111,974</u>	<u>155,145</u>	<u>(271,553)</u>	<u>94,995,566</u>
Less accumulated depreciation and amortization:				
Solar lease equipment	14,436,402	2,901,634	(55,585)	17,282,451
Furniture and equipment	653,566	226,042	-	879,608
Computer hardware and software	205,219	23,121	-	228,340
Leasehold improvements	16,164	65,284	-	81,448
Right-to-use leased buildings	106,225	252,598	-	358,823
Total accumulated depreciation and amortization	<u>15,417,576</u>	<u>3,468,679</u>	<u>(55,585)</u>	<u>18,830,670</u>
Capital assets, net	<u>\$ 79,694,398</u>	<u>\$ (3,313,534)</u>	<u>\$ (215,968)</u>	<u>\$ 76,164,896</u>

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

C. Capital assets (continued)

Total reporting entity:

<u>2021 (as restated)</u>	<u>Balance, July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2021</u>
Capital assets being depreciated/ amortized:				
Solar lease equipment	\$ 87,440,869	\$ -	\$ (498,890)	\$ 86,941,979
Furniture and equipment	4,733,640	350,354	(131,744)	4,952,250
Computer hardware and software	208,510	33,666	-	242,176
Leasehold improvements	192,027	323,275	(192,027)	323,275
Right-to-use leased buildings	-	2,652,294	-	2,652,294
Total capital assets being depreciated/ amortized	<u>92,575,046</u>	<u>3,359,589</u>	<u>(822,661)</u>	<u>95,111,974</u>
Less accumulated depreciation and amortization:				
Solar lease equipment	11,614,388	2,913,489	(91,475)	14,436,402
Furniture and equipment	614,039	170,233	(130,706)	653,566
Computer hardware and software	189,629	15,590	-	205,219
Leasehold improvements	184,994	21,521	(190,351)	16,164
Right-to-use leased buildings	-	106,225	-	106,225
Total accumulated depreciation and amortization	<u>12,603,050</u>	<u>3,227,058</u>	<u>(412,532)</u>	<u>15,417,576</u>
Capital assets, net	<u>\$ 79,971,996</u>	<u>\$ 132,531</u>	<u>\$ (410,129)</u>	<u>\$ 79,694,398</u>

D. Short-term liabilities**1. Short-term debt - primary government****SHREC Warehouse 1 LLC line of credit**

On July 19, 2019 SHREC Warehouse 1 LLC executed a \$14,000,000 line of credit ("LOC") with Webster Bank N.A. and Liberty Bank, with Webster Bank as the administrative agent. The LOC is broken down evenly by lender.

All advances must be made in a principal amount of \$250,000 or in additional whole multiples of \$50,000. Each loan advance will be shared by the participating lenders in accordance with their pro-rata share of the of the total facility commitment. All principal on advances made under the LOC are due at maturity which was (1) the initial maturity date of July 31, 2020 or (2) the extended maturity date which extends the maturity for one or more additional one-year periods. Advances can be prepaid without penalty. Through the availability period the amount by which the aggregate commitment exceeds aggregate advances is subject to a 0.5% unused commitment fee. As of June 30, 2020 \$6,000,000 had been advanced under the LOC, which was fully repaid in the year ended June 30, 2021.

Connecticut Green Bank**Notes to Financial Statements
As of and for the Year Ended June 30, 2022****D. Short-term liabilities (continued)**

The LOC was initially collateralized with revenues generated from Tranche 3 solar facilities under the Master Purchase Agreement (“MPA”) Green Bank entered into with Connecticut’s two investor owned public utilities. Under the MPA each utility must purchase Solar Home Energy Credits (“SHRECs”) generated by solar PV facilities located in its service area from Green Bank. See Note II.G for further detail on the SHREC program.

On July 28, 2020, the line of credit agreement was amended to decrease the facility from \$14,000,000 to \$10,000,000, with a \$4,000,000 uncommitted accordion feature, that the 0.5% unused commitment fees are not calculated on, but allows SHREC Warehouse 1 LLC to increase the total commitment up to \$14,000,000 if requested. Additionally, the amendment releases the collateralization of revenues generated from the Tranche 3 solar facilities and replacing them with revenues generated from the Tranche 4 solar facilities, and extends the initial maturity date through July 31, 2021.

On July 30, 2021, the line of credit agreement was amended to replace the Tranche 4 collateral with Tranche 5 and all future Tranches designated as collateral, and to extend the maturity date to July 29, 2022. The LOC had no outstanding balance as of June 30, 2022 or June 30, 2021.

In connection with the LOC, SHREC Warehouse 1 LLC is required to establish and maintain a collections account with Webster Bank into which all proceeds from the sale of SHRECs are to be deposited and an interest reserve account with each lender. As of June 30, 2022 and June 30, 2021, the collections account balance was \$1,792,353 and \$2,672,697, respectively, and the cumulative balance in the interest reserve accounts was \$97,126 and \$98,663, respectively.

Interest to be paid on each advance commences on the date the advance is disbursed and ends one month thereafter. Interest is calculated based on the one-month LIBOR rate plus the applicable margin of 240 basis points. For the year ended June 30, 2021, \$40,621 in interest was paid to the lenders. No interest was paid in the year ended June 30, 2022.

Connecticut Green Bank line of credit - Amalgamated Bank

On May 22, 2019 Green Bank executed a \$5,000,000 line of credit (“LOC”) with Amalgamated Bank which was amended on June 30, 2020 to extend the maturity date to May 21, 2021, modify the interest rate, increase the collateral and apply a quarterly commitment reduction to the maximum LOC balance outstanding. The facility was amended again effective May 21, 2021 to extend the maturity date to May 20, 2022 and to decrease the LOC to \$3,500,000.

The facility was revolving and funds could be advanced and repaid in increments of \$50,000 or more until the availability period ends 15 days before maturity or May 5, 2022. All principal for advances made under the LOC were due at maturity on May 20, 2022. Advances could be prepaid without penalty. Through the availability period the amount by which the aggregate commitment exceeds aggregate advances was subject to a 0.2% unused commitment fee. As of June 30, 2021, the outstanding balance was \$100,000. At June 30, 2022, the LOC agreement was no longer active.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

D. Short-term liabilities (continued)

The LOC was guaranteed by a security interest in all present and future personal property and the proceeds thereof, of CT Solar Lease 1 LLC ("CTSL1") and CT Solar Loan 1 LLC ("CTSLNI"). CTSL1 manages a portfolio of residential solar lease promissory notes. As of June 30, 2022 and 2021, the promissory note balances, net of reserves were \$3,003,661 and \$3,959,711, respectively. CTSLNI manages a portfolio of residential solar loans. As of June 30, 2022 and 2021, the loan balances, net of reserves were \$822,109 and \$1,327,301, respectively.

Interest to be paid on each advance commenced on the date the advance was disbursed and ends one month thereafter. Interest was calculated based as the greater of (1) the Prime Rate as published in the Wall Street Journal minus 0.80% or (2) 2.45%. For the years ended June 30, 2022 and 2021, \$1,048 and \$5,636 respectively, have been paid as interest to the lender.

CGB Green Liberty Notes crowdfunding notes

On January 14, 2022, the CGB Green Liberty Notes completed its initial crowdfunding raise under Regulation Crowdfunding (REG-CF) totaling \$190,400 in subscriptions to purchase the first round of Green Liberty Notes. These notes have a one-year maturity with a 1.00% annual interest rate to be paid on the maturity date of January 23, 2023.

On May 13, 2022, the CGB Green Liberty Notes completed a crowdfunding raise under Regulation Crowdfunding (REG-CF) totaling \$114,335 in subscriptions to purchase the second round of Green Liberty Notes. These notes have a one-year maturity with a 1.50% annual interest rate to be paid on the maturity date of May 19, 2023.

2. Summary of changes

Short-Term Debt as of June 30, 2022							
<u>Legal Entity</u>	<u>Description</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2022</u>
Connecticut Green Bank	Line of credit	Prime less 0.80%	N/A	\$ 100,000	\$ -	\$ 100,000	\$ -
Green Liberty Notes	Crowdfunding 1	1.00%	1/23/23	-	190,400	-	190,400
Green Liberty Notes	Crowdfunding 2	1.50%	5/19/23	-	114,335	-	114,335
Total Green Liberty Notes				-	304,735	-	304,735
Total				\$ 100,000	\$ 304,735	\$ 100,000	\$ 304,735
Short-Term Debt as of June 30, 2021							
<u>Legal Entity</u>	<u>Description</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2021</u>
Connecticut Green Bank	Line of credit	LIBOR plus 240 basis points	N/A	\$ 6,000,000	\$ -	\$ 6,000,000	\$ -

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

E. Long-term liabilities

1. Summary of changes

Legal Entity	Description	Balance July 1, 2021	Additions	Payments	Balance June 30, 2022	Amount Due in One Year
Bonds payable:						
Connecticut Green Bank	CREBs 2017 - Meriden Hydro	\$ 2,565,572	\$ -	\$ (134,348)	\$ 2,431,224	\$ 158,669
Connecticut Green Bank	CREBs 2017 - CSCUS	8,063,556	-	(528,551)	7,535,005	535,036
Connecticut Green Bank	Green Liberty Bonds 2020-1	16,795,000	-	(1,145,000)	15,650,000	1,148,000
Connecticut Green Bank	Green Liberty Bonds 2021-1	24,834,000	-	(499,000)	24,335,000	1,674,000
Total bonds payable		52,258,128	-	(2,306,899)	49,951,229	3,515,705
Notes payable (direct borrowings):						
SHREC ABS 1 LLC	SHREC ABS	34,126,000	-	(2,454,911)	31,671,089	11,721,089
SHREC ABS 1 LLC	SHREC ABS - Discount	(60,880)	-	5,181	(55,699)	-
Total SHREC ABS 1 LLC		34,065,120	-	(2,449,730)	31,615,390	11,721,089
CT Solar Lease 2 LLC	Line of credit	18,503,841	-	(6,700,072)	11,803,769	2,422,088
CEFIA Solar Services Inc.	CHFA	1,461,350	-	(94,790)	1,366,560	94,788
Total notes payable		54,030,311	-	(9,244,592)	44,785,719	14,237,965
Connecticut Green Bank	Leases payable	2,679,421	-	(152,035)	2,527,386	214,144
Total long-term debt		108,967,860	-	(11,703,526)	97,264,334	17,967,814
Connecticut Green Bank	Net pension liability	20,268,725	1,004,648	-	21,273,373	-
Connecticut Green Bank	Net OPEB liability	23,688,515	-	(3,171,951)	20,516,564	-
Total long-term liabilities		\$ 152,925,100	\$ 1,004,648	\$ (14,875,477)	\$ 139,054,271	\$ 17,967,814

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

E. Long-term liabilities (continued)**2. Long-term debt – primary government****Connecticut Green Bank New Clean Renewable Energy Bonds**

On February 26, 2016, the Board of Directors of Green Bank authorized the issuance of a New Clean Energy Renewable Energy Bond (CREB) in an amount not to exceed \$3,000,000 to finance a portion of the acquisition cost of a 193kW Hydroelectric Facility located in Meriden, Connecticut by CGB Meriden Hydro LLC, a subsidiary of Green Bank. On February 2, 2017 Green Bank issued a CREB in the amount of \$2,957,971 with an annual interest rate of 4.19%, maturing on November 15, 2036. Interest and principal payments are to be paid annually on November 15th. Proceeds from the sale of electricity generated by the facility to the City of Meriden along with revenue from the associated renewable energy credits will fund the payment of principal and interest on the CREB. The CREB qualified for a tax credit from the US Treasury under Section 54C of the Internal Revenue Code. The tax credit will be paid in the form of a subsidy to Green Bank. The project also qualified to receive an interest rate subsidy from the local electricity utility through a program approved by the Connecticut Public Utility Regulatory Authority (PURA). This subsidy will be paid directly to the purchaser of the CREB. Both these subsidies will reduce the borrowing costs of Green Bank.

Future maturities on borrowings under the CREB is as follows:

Years Ending June 30,	Principal	Interest	US Treasury Tax Subsidy	CT PURA Interest Subsidy	Total
2023	\$ 158,669	\$ 97,734	\$ (68,935)	\$ (18,013)	\$ 169,455
2024	163,905	91,040	(64,214)	(18,013)	172,718
2025	169,247	83,851	(59,143)	(18,013)	175,942
2026	173,429	76,742	(54,129)	(18,013)	178,029
2027	177,705	69,364	(48,925)	(18,013)	180,131
2028-2032	841,184	240,313	(169,502)	-	911,995
2033-2037	747,085	76,218	(53,760)	-	769,543
Totals	\$ 2,431,224	\$ 735,262	\$ (518,608)	\$ (90,065)	\$ 2,557,813

On September 28, 2017, the Board of Directors of Green Bank authorized the issuance of a New Clean Energy Renewable Energy Bond (CREB) in an amount not to exceed \$9,350,000 to finance the installation of various solar projects for the benefit of the Connecticut State College and University System (“CSCUS”). To that end on December 29, 2017 Green Bank entered into an equipment lease/purchase agreement financed by the issuance of a \$9,101,729 CREB with an annual interest rate of 4.90%, maturing on November 15, 2037 to construct and lease these solar facilities to CSCUS. Interest and principal payments are paid annually on November 15th.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

E. Long-term liabilities (continued)

Proceeds from the sale of electricity generated by the facilities to CSCUS along with revenue from the associated renewable energy credits will fund the payment of principal and interest on the CREB. The CREB qualified for a tax credit from the US Treasury under Section 54C of the Internal Revenue Code. The tax credit will be paid in the form of a subsidy to Green Bank. The project also qualified to receive an interest rate subsidy from the local electricity utility through a program approved by the Connecticut Public Utility Regulatory Authority (PURA). This subsidy will be paid directly to the purchaser of the CREB. Both subsidies will reduce the borrowing costs of Green Bank.

Future maturities on borrowings under the CREB are as follows:

Years Ending June 30,	Principal	Interest	US Treasury Tax Subsidy	CT PURA Interest Subsidy	Total
2023	\$ 535,036	\$ 352,911	\$ (187,547)	\$ (56,417)	\$ 643,983
2024	541,657	326,819	(173,681)	(56,417)	638,378
2025	548,416	299,418	(159,119)	(56,417)	632,298
2026	555,316	272,662	(144,900)	(56,417)	626,661
2027	562,358	245,237	(130,326)	(56,417)	620,852
2028-2032	2,922,592	802,418	(426,428)	(56,417)	3,242,165
2033-2037	1,613,856	216,131	(114,858)	-	1,715,129
2038	255,774	4,738	(2,518)	-	257,994
Totals	<u>\$ 7,535,005</u>	<u>\$ 2,520,334</u>	<u>\$(1,339,377)</u>	<u>\$ (338,502)</u>	<u>\$ 8,377,460</u>

Green Liberty Bonds – Series 2020

On July 29, 2020, Green Bank issued its inaugural offering of \$16,795,000 of Series 2020 Green Liberty Bonds. The Green Liberty Bonds were created in honor of the 50th anniversary of Earth Day – a type of green bond whose proceeds are used to invest in projects that confront climate change in Connecticut. Modeled after the Series-E War Bonds of the 1940s, the bonds were designed to be purchased by everyday citizens through lower-dollar denominations of no more than \$1,000, enabling them to invest in green projects in Connecticut. The bonds are Climate Bond Certified and carry an S&P rating of A. Interest rates vary based on maturity date from 0.95% to 2.90%.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

E. Long-term liabilities (continued)

Future maturities on borrowings on the Series 2020-1 Green Liberty Bonds are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	\$ 1,148,000	\$ 334,057	\$ 1,482,057
2024	1,147,000	320,689	1,467,689
2025	1,146,000	305,212	1,451,212
2026	1,145,000	287,743	1,432,743
2027	1,144,000	267,715	1,411,715
2028-2032	4,566,000	986,689	5,552,689
2033-2036	5,354,000	543,431	5,897,431
Totals	\$ 15,650,000	\$ 3,045,536	\$ 18,695,536

The bonds are collateralized by revenue from quarterly sales of Tranche 3 Solar Home Renewable Energy Credits ("SHRECs") for approximately 4,800 residential solar PV systems to two Connecticut public utilities. Collections from these billings and disbursements of funds to the bondholders are managed by the trustee, Bank of New York Mellon. Interest payments are semi-annual on May 15th and November 15th. The term series bonds are subject to redemption prior to their stated maturity date.

Green Bank received net proceeds of \$14,704,810 after funding the state supported Special Capital Reserve Fund of \$1,496,133, the cost of issuance fund of \$370,000 and paying bond issuance costs of \$224,057. The proceeds will be used to invest in green energy projects and to refinance expenditures related to the Residential Solar Investment Program.

Green Liberty Bonds – Series 2021

On May 11, 2021, Green Bank issued its offering of \$24,834,000 of Series 2021 Green Liberty Bonds. The bonds are Climate Bond Certified and carry an S&P rating of A. Interest rates vary based on maturity date from 0.23% to 2.95%.

Future maturities on borrowings on the Series 2021-1 Green Liberty Bonds are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	\$ 1,674,000	\$ 458,176	\$ 2,132,176
2024	1,663,000	450,673	2,113,673
2025	1,654,000	439,071	2,093,071
2026	1,647,000	422,159	2,069,159
2027	1,644,000	400,358	2,044,358
2028-2032	8,243,000	1,531,516	9,774,516
2033-2037	7,810,000	517,615	8,327,615
Totals	\$ 24,335,000	\$ 4,219,568	\$ 28,554,568

Connecticut Green Bank**Notes to Financial Statements
As of and for the Year Ended June 30, 2022****E. Long-term liabilities (continued)**

The bonds are collateralized by revenue from quarterly sales of Tranche 4 Solar Home Renewable Energy Credits ("SHRECs") for approximately 6,900 residential solar PV systems to two Connecticut public utilities. Collections from these billings and disbursements of funds to the bondholders are managed by the trustee, Bank of New York Mellon. Interest payments are semi-annual on May 15th and November 15th. The term series bonds are subject to redemption prior to their stated maturity date. The proceeds will be used to invest in green energy projects and to refinance expenditures related to the Residential Solar Investment Program.

SHREC ABS 1 LLC Collateralized Note

On March 29, 2019, the Board of Directors authorized Green Bank to offer for sale, and to sell two classes of Series 2019-1 Notes as follows: (1) \$36,800,000 of Class A Notes and (2) \$1,800,000 of Class B Notes that were issued by SHREC ABS 1 LLC, a special purpose Delaware limited liability company that is a wholly-owned subsidiary of Green Bank. The Class A Notes carry an interest rate of 5.09% while the Class B Notes carry an interest rate of 7.04%. Both classes of notes are for a term of 14 years, maturing on March 15, 2033.

The note is collateralized by revenue from quarterly sales of Solar Home Renewable Energy Credits ("SHRECs") for two tranches of approximately 14,000 residential solar PV systems to two Connecticut utilities. Collections from these billings and disbursements of funds to the bondholder and Green Bank are managed by the trustee, Bank of New York Mellon. Interest and principal payments are quarterly per the bond schedule which anticipates the fluctuations in SHREC revenue due to seasonal solar PV generation.

On April 2, 2019, both notes were sold to a single investor as a private placement. The proceeds were used to pay off a short-term loan facility, for further Green Bank investments and to support the sweep payment of \$14,000,000 to the State of Connecticut. On September 15, 2022 SHREC ABS 1 LLC made a prepayment of \$10,185,089 along with the regularly scheduled quarterly principal payment of \$130,000. An amended amortization schedule was established with the agreement of all bond parties. Each scheduled principal payment on the revised schedule is approximately 32% lower than the original schedule. Future maturities in the table below reflect both the prepayment and the revised principal payments per the amended amortization schedule.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

E. Long-term liabilities (continued)

Future maturities on borrowings under the SHREC ABS are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	\$ 11,721,089	\$ 1,214,753	\$ 12,935,842
2024	1,686,000	998,493	2,684,493
2025	1,746,000	910,076	2,656,076
2026	1,869,000	817,292	2,686,292
2027	1,953,000	718,846	2,671,846
2028-2032	11,612,000	1,914,272	13,526,272
2033	1,084,000	29,453	1,113,453
Total	<u>\$ 31,671,089</u>	<u>\$ 6,603,185</u>	<u>\$ 38,274,274</u>

3. Long-term debt – discretely presented component units**CEFIA Solar Services Inc. Term Note**

On October 18, 2016, CEFIA Solar Services Inc. executed a term note with the Connecticut Housing Finance Authority (CHFA) in the amount of \$1,895,807 with an interest rate of 2.5% with a 20-year term maturing on November 1, 2036. Principal and interest are payable monthly. CEFIA Solar Services, in its role as managing member of CT Solar Lease 2 LLC (CT SL2) lent these funds to CT SL2 through the execution of a subordinated promissory note of same date. CT SL2 used these funds to finance the acquisition of renewable energy equipment and installation of energy efficiency measures by eleven housing developments owned by municipalities throughout Connecticut.

Future maturities on borrowings under CHFA are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	\$ 94,788	\$ 33,078	\$ 127,866
2024	94,788	30,708	125,496
2025	94,788	28,338	123,126
2026	94,788	25,969	120,757
2027	94,788	23,599	118,387
2028-2032	473,953	77,362	551,315
2033-2037	418,667	15,107	433,774
Total	<u>\$ 1,366,560</u>	<u>\$ 234,161</u>	<u>\$ 1,600,721</u>

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

E. Long-term liabilities (continued)**CT Solar Lease 2, LLC line of credit**

CT Solar Lease 2, LLC has a \$27,600,000 line of credit agreement with Key Bank as the administrative agent and Lender along with an additional participating lender. The additional LOC is broken down by lender as follows:

Key Bank	\$ 17,250,000
Webster Bank, National Association	<u>10,350,000</u>
Total	<u>\$ 27,600,000</u>

Funds may be drawn down in no more than ten total advances by March 31, 2017. With the exception of the final advance, each advance must be in the principal amount of \$2,760,000 or a whole multiple of \$100,000 in excess of \$2,760,000. Each loan funding will be shared by all participating lenders in accordance with their pro-rata share of the total facility commitment. As of June 30, 2017, \$27,500,633 had been advanced under the additional LOC through March 31, 2017 the advance termination date. Principal repayments for the year ended June 30, 2022 and 2021, were \$6,700,072 and \$2,350,399, respectively.

Each advance will be amortized separately. CT Solar Lease 2 LLC has the option with each advance of selecting between the LIBOR rate or the base rate which is defined as the highest of (a) the Federal Funds Effective Rate plus one-half of 1 percent, (b) Key Bank's prime rate, and (c) the LIBOR rate plus 1%. CT Solar Lease 2 LLC may also elect to convert an advance from one rate to the other by following the process outlined in the credit agreement.

Payments of interest with respect to any LIBOR rate advances are due on the 15th day of the month following each calendar quarter end. Payments of interest with respect to any base rate advances are due monthly. Payments of principal with respect to all advances are due on the 15th day of the month following each calendar quarter end. Principal payments on each advance will be based on a modified 15-year amortization schedule and are calculated as the lesser of 2.1675% of the initial principal amount of each advance or the net operating income with respect to the projects purchased with each advance as defined in the credit agreement.

Within one month of each advance, CT Solar Lease 2 LLC is required to enter into an interest rate swap contract with respect to a minimum amount of 75% of such advance. If one of the participating lenders is the counterparty to the swap contract, such contract will be secured by the collateral of the credit agreement; otherwise, the swap contract will be unsecured. See Note 11.A.

Certain obligations of CT Solar Lease 2 LLC under the credit agreement are guaranteed by Green Bank. This credit agreement is secured by all assets of CT Solar Lease 2 LLC as well as CEFIA Solar Services (the Managing Member) interest in CT Solar Lease 2 LLC. There are no prepayment penalties. There are certain debt service coverage ratios CT Solar Lease 2 LLC must maintain related to each separate advance and which require the separate measurement of the net operating income with respect to the projects purchased with each advance.

As of June 30, 2022 and 2021, the balances of the line of credit were \$11,803,769 and \$18,503,841, respectively.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

E. Long-term liabilities (continued)**4. Long-term debt – discretely presented component units**

Lease agreements are summarized as follows:

Description	Date	Lease Term* (years)	Interest Rate**	Original Amount*	Balance June 30, 2022	Balance June 30, 2021
Hartford office space	4/1/2021	10.5	3.00%	\$ 1,566,810	\$1,536,492	\$ 1,613,814
Stamford office space	11/1/2020	10.5	3.00%	1,085,484	990,894	1,065,607
Totals				<u>\$2,652,294</u>	<u>\$2,527,386</u>	<u>\$2,679,421</u>

*As of GASB No. 87 implementation date of July 1, 2020.

**All interest rates have been imputed based on the rate from recently issued debt as there were no interest rates specified in the lease agreement.

Description	Lease Agreement Terms
Hartford Office Space	The office space's lease term includes a six month free-rent period at the onset of the lease.
Stamford Office Space	The office space's lease term includes a five-year additional term that Green Bank anticipates renewing. Additionally, the lease includes 13 free months over the 10.5 year life of the lease.

The following is a summary of principal and interest payments to maturity:

Year Ending June 30	Principal	Interest
2023	\$ 214,144	\$ 75,822
2024	224,825	69,397
2025	234,567	62,653
2026	248,383	55,616
2027	289,832	48,164
2028	304,830	39,469
2029	315,236	30,324
2030	324,693	20,867
2031	314,243	11,126
2032	56,633	1,699
Totals	<u>\$2,527,386</u>	<u>\$ 415,137</u>

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

E. Long-term liabilities (continued)**5. Asset retirement obligation**

Estimates and assumptions used to measure the asset retirement obligations include:

Inflation	2.25%
Discount rate	2.50%
Estimated useful life	30 years
Length of lease/PPA	20 years
Estimated removal cost	Residential: \$2,000
	Commercial: varying estimates based on size and design of system ranging from 0.03 to 0.15 removal cost per watt of the system

The aggregate carrying amount of asset retirement obligations recognized by CT Solar Lease 2 and 3 was \$4,118,336 and \$4,018,011 at June 30, 2022 and June 30, 2021 respectively. The following table shows changes in the aggregate carrying amount of CT Solar Lease 2 and 3's asset retirement obligation for the year ended June 30, 2022:

Balance - June 30, 2021	\$ 4,018,011
Accretion expense	<u>100,325</u>
Balance - June 30, 2022	<u>\$ 4,118,336</u>

The solar facilities have estimated remaining useful lives ranging from 22 to 27 years at year end. The Company will pay for these obligations with future revenues. There are no assets specifically restricted for payment of the asset retirement obligations.

A deferred outflow of resources related to this asset retirement obligation is also recorded. The outflow is being recognized in a systematic and rational manner over the estimated useful life of the tangible capital assets for which the asset retirement obligation relates. A portion of the deferred outflow is recognized each year as an outflow (expense) based upon actual costs incurred that year. The total remaining deferred outflow at June 30, 2022 is \$2,317,404 in the statement of net position.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

F. Restricted net position

Restricted net position at June 30, 2022 and 2021 consisted of the following:

	<u>2022</u>	<u>2021</u>
<u>Primary government</u>		
Energy programs:		
<u>Connecticut Green Bank:</u>		
Assets restricted for maintaining loan loss and interest rate buydown reserves	\$2,783,551	\$3,918,297
Assets restricted by contractual obligations under Clean Renewable Energy Bonds	2,361,863	2,180,737
Assets restricted by contractual obligations for maintaining pledge accounts for loan guarantees	1,199,469	1,211,738
Assets restricted by contractual obligations for health and safety revolving loan fund	-	20,000
Assets restricted by contractual obligations under Green Liberty Bonds	7,106,868	5,215,629
<u>SHREC ABS 1 LLC:</u>		
Assets restricted by contractual obligations for maintaining liquidity and trustee reserves	1,079,262	1,136,357
<u>SHREC Warehouse 1 LLC:</u>		
Assets restricted by contractual obligations for maintaining loan loss reserve	1,889,479	2,771,359
<u>CT Solar Loan I LLC:</u>		
Assets restricted by contractual obligations for maintaining loan loss reserve	301,834	301,819
<u>CEFIA Holdings LLC:</u>		
Assets restricted by contractual obligations for maintaining debt service reserve	<u>25,673</u>	<u>8,170</u>
Total primary government	<u>16,747,999</u>	<u>16,764,106</u>

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

F. Restricted net position (continued)

	<u>2022</u>	<u>2021</u>
<u>Discretely presented component units</u>		
<u>CT Solar Lease 2 LLC:</u>		
Nonexpendable:		
Developer equity interest	\$ 5,600,528	\$ 13,567,350
Developer invested in capital assets net of related debt	35,199,073	30,979,027
Developer assets restricted for maintaining loan loss reserve	2,397,348	2,396,257
Developer assets restricted for operating and maintenance reserve	<u>990,000</u>	<u>990,000</u>
Total nonexpendable	<u>44,186,949</u>	<u>47,932,634</u>
Energy programs:		
Assets restricted for maintaining loan loss reserve	24,216	24,205
Assets restricted for operating and maintenance reserve	<u>10,000</u>	<u>10,000</u>
Total energy programs	<u>34,216</u>	<u>34,205</u>
<u>CEFIA Solar Services:</u>		
Energy programs:		
Assets restricted for maintaining loan loss reserve	<u>83,000</u>	<u>83,000</u>
<u>CT Solar Lease 3 LLC:</u>		
Nonexpendable:		
Developer equity interest	3,756,753	4,568,841
Developer invested in capital assets net of related debt	<u>9,785,955</u>	<u>10,172,272</u>
Total nonexpendable	<u>13,542,708</u>	<u>14,741,113</u>
Total restricted net position	<u>\$ 74,594,872</u>	<u>\$ 79,555,058</u>
Nonexpendable	\$ 57,729,657	\$ 62,673,747
Energy programs	<u>16,865,215</u>	<u>16,881,311</u>
Total	<u>\$ 74,594,872</u>	<u>\$ 79,555,058</u>

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

G. Renewable energy credits

Green Bank owns Class 1 Renewable Energy Credits (RECs) that are generated by certain commercial renewable energy facilities for which Green Bank provided the initial funding. Green Bank also owns residential RECs through its Residential Solar Investment Program (RSIP) which was created by the Connecticut state legislature in July 2011 to deploy solar PV systems that in the aggregate generate 350 megawatts of electricity. Through the RSIP, Green Bank owns the rights to RECs generated by facilities installed on residential properties placed in service prior to January 1, 2015. Additionally, Green Bank owns rights to RECs generated by facilities installed after the completion of the RSIP. The Board of Directors has approved 32 megawatts for this post-RSIP deployment.

Green Bank has entered into contracts with various third parties to sell RECs generated through vintage year 2024. For the years ended June 30, 2022 and 2021 Green Bank generated and sold its contractual obligations of 40,000 RECs for vintage year 2021 and 41,000 RECs for vintage year 2020, respectively. Revenues generated from REC sales for the years ending June 30, 2022 and 2021 were \$1,032,310 and \$917,850, respectively.

As of June 30, 2022, Green Bank has contractual obligations to sell RECs by vintage year as follows:

<u>Vintage</u>	<u>Quantity</u>
2022	49,000
2023	51,000
2024	<u>51,000</u>
Total	<u>151,000</u>

Based on historical performance, management believes that the RECs it will receive from these commercial and residential facilities will exceed its contractual obligations.

RECs trade on the New England Power Pool (NEPOOL) market. The market price of Connecticut Class 1 RECs as of June 30, 2022 ranged from \$37.50 to \$38.00. Green Bank's inventory of RECs generated by commercial facilities as of June 30, 2022 and 2021, was \$29,140 and \$30,435, respectively. Green Bank recorded its inventory as of June 30, 2022 at cost, which is below market price.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

G. Renewable energy credits (continued)**Solar home energy credits**

Public Act No.15-194 (the Act) enacted on October 1, 2015 and as amended by Public Act 16-212 created a Solar Home Renewable Energy Credit (SHREC) associated with energy generated from qualifying residential solar PV systems that have received incentives under Green Bank's RSIP. Each SHREC represents 1 megawatt hour of electrical generation. Under the Act, Green Bank owns the SHRECs. The Act requires SHRECs to be purchased by the State's two investor owned public utilities through a Master Purchase Agreement (MPA) which was executed on February 7, 2017. The MPA commences on January 1, 2015 and terminates the earlier of the year ending December 31, 2022 or with the deployment of solar PV systems that in the aggregate generate 350 megawatts of electricity. During each year of the MPA's term, solar PV facilities that commence operation will be aggregated into a tranche agreement between Green Bank and the utility companies which will be approved by the State's Public Utility Regulatory Authority (PURA) prior to its execution. Each tranche will state the price set by Green Bank for the purchase of a SHREC generated by the PV systems within that tranche for a period of 15 years.

As of June 30, 2022, the following tranche agreements have been entered into with the public utilities:

<u>Tranche</u>	<u>Date</u>	<u>REC Price</u>	<u>Megawatts</u>
1	07/01/2017	\$ 50	47.176
2	07/15/2018	49	59.836
3	06/28/2019	48	39.275
4	07/15/2020	47	59.400
5	07/15/2021	35	61.906
6	06/01/2022	34	31.625
Total			<u>299.218</u>

SHRECs are created and certificated in the New England Power Pool Generation System (NEPOOL GIS). SHRECs are certificated by NEPOOL GIS during the fifth month subsequent to the end of the quarter in which the electricity was generated. Once certificated ownership of the SHRECs is transferred to each public utility, payment is received by Green Bank 30 days later. Green Bank recognizes income upon the delivery of the SHRECs to each public utility. Green Bank is not committed to deliver a specific amount of SHRECs to each utility during the term of the MPA.

The SHRECs for tranches 1 and 2 are assigned to SHREC ABS 1 LLC and provide the revenue stream for the SHREC ABS 1 LLC collateralized note payments. The SHREC revenues for tranche 3 are assigned to Green Bank and provide the revenue stream for the Green Liberty Bond – Series 2020 bond payments. Before securitization, the tranche 3 revenues were assigned to SHREC Warehouse 1 LLC as collateral for the SHREC Warehouse LOC and were held in a restricted cash account. The SHREC revenues for tranche 4 are assigned to Green Bank and provide the revenue stream for the Green Liberty Bond – Series 2021 bond payments. Before securitization, the tranche 4 revenues were assigned to SHREC Warehouse 1 LLC as collateral for the SHREC Warehouse LOC and were held in a restricted cash account. The SHRECs for tranche 5 and tranche 6 are assigned to SHREC Warehouse 1 LLC as collateral for the SHREC Warehouse LOC and are held in a restricted cash account. Tranche 6 revenues will begin being recognized in fiscal year 2023.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

G. Renewable energy credits (continued)

For the years ending June 30, 2022 and 2021 the following SHREC sales were recognized:

Fiscal Year Ended June 30, 2022

<u>Tranche</u>	<u>CT Green Bank</u>	<u>SHREC ABS 1 LLC</u>	<u>SHREC Warehouse 1 LLC</u>	<u>Total</u>
1	\$ -	\$ 1,968,750	\$ -	\$ 1,968,750
2	-	2,390,808	-	2,390,808
3	1,710,720	-	-	1,710,720
4	2,483,621	-	-	2,483,621
5	-	-	1,980,055	1,980,055
Totals	<u>\$ 4,194,341</u>	<u>\$ 4,359,558</u>	<u>\$ 1,980,055</u>	<u>\$10,533,954</u>

Fiscal Year Ended June 30, 2021

<u>Tranche</u>	<u>CT Green Bank</u>	<u>SHREC ABS 1 LLC</u>	<u>SHREC Warehouse 1 LLC</u>	<u>Total</u>
1	\$ -	\$ 2,237,250	\$ -	\$ 2,237,250
2	-	2,787,757	-	2,787,757
3	1,862,928	-	-	1,862,928
4	-	-	2,672,984	2,672,984
5	-	-	-	-
Totals	<u>\$ 1,862,928</u>	<u>\$ 5,025,007</u>	<u>\$ 2,672,984</u>	<u>\$ 9,560,919</u>

Low and zero emissions renewable energy credits

Green Bank and its discretely presented component units receive LREC/ZREC revenue, under CT PURA's Low and Zero Emissions Renewable Energy Credit program from the State's two investor-owned public utilities. These RECs are secured when a solar project is registered and energized with a public utility and revenue is earned quarterly based on generation of the project. LREC/ZREC revenue totaled \$1,499,613 and \$1,711,148 for the years ended June 30, 2022 and 2021, respectively.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

III. Other information**A. Risk management**

Green Bank is subject to normal risks associated with its operations including property damage, personal injury and employee dishonesty. All risks are managed through the purchase of commercial insurance. There have been no losses exceeding insurance coverage, and there have been no decreases in insurance coverage over the last three years.

B. Commitments and loan guarantees**Commitments**

As of June 30, 2022 and 2021, the Board of Directors designated a portion of Green Bank's unrestricted net position to fund financial incentives for specific commercial and residential projects in the following areas:

	<u>Type</u>	<u>2022</u>	<u>2021</u>
Primary Government			
Connecticut Green Bank			
Solar PV	Incentive	\$ 27,812,307	\$ 40,644,385
Multifamily/LMI Solar PV and Energy Efficiency	Loan	16,087,404	3,509,732
Fuel Cells	Loan	5,000,000	5,000,000
CSPACE	Loan	1,782,650	687,434
Hydropower	Loan	329,843	329,843
Anaerobic Digester	Loan	169,730	169,730
Total Connecticut Green Bank		<u>51,181,934</u>	<u>50,341,124</u>
CEFIA Holdings LLC			
Solar Power Purchase Agreement	Loan	12,988,534	12,441,940
Small Business Energy Advantage	Loan	17,480,043	4,071,060
Total CEFIA Holdings LLC		<u>30,468,577</u>	<u>16,513,000</u>
Total Commitments		81,650,511	66,854,124
Solar PV commitments payable to CT Solar Lease 2 LLC		<u>(120,000)</u>	<u>(279,000)</u>
Total		<u>\$ 81,530,511</u>	<u>\$ 66,575,124</u>

These commitments are expected to be funded over the next one to six fiscal years and are contingent upon the completion of performance milestones by the recipient. All commitments are those of the primary government.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

B. Commitments and loan guarantees (continued)**Loan guarantees**

As of June 30, 2022 and 2021, the following financial guarantees, approved by the Board of Directors, were outstanding. As of June 30, 2022, Green Bank has not recognized a liability or made any payments pursuant to these guarantees. Should payments be made in the future, Green Bank will utilize standard collection efforts to recover payments made on behalf of issuers to those entitled to receive payments pursuant to the obligation guaranteed. All guarantees are those of the primary government.

Guarantor	Issuer	Beneficiary	Relationship of guarantor to issuer	Type of obligation guaranteed	Maximum amount of guaranty	Obligations guaranteed as of 6/30/2022	Obligations guaranteed as of 6/30/2021
CT Green Bank	Owners of multifamily dwellings in Connecticut	Housing Development Fund	Issuers participate in program administered by CGB and the Housing Development Fund to install energy upgrades in multifamily dwellings	Commercial and consumer loan products with various terms	\$ 5,000,000	\$ 3,448,384	\$ 3,709,185
CT Green Bank	New England Hydropower Company	Webster Bank	Issuer is the developer of hydropower project in Connecticut approved by the CGB Board of Directors.	Line of Credit	300,000	300,000	300,000
CEFIA Holdings LLC	CEFIA Solar Services Inc.	CHFA	Holdings is the sole shareholder of Services and an affiliate of CGB	Promissory Note for funds received from CHFA upon their issuance of Qualified Energy Conservation Bonds (QECCBs) for State Sponsored Housing Projects (SSHP)	1,895,807	1,366,560	1,461,350
CT Green Bank	Canton Hydro, LLC	Provident Bank	Issuer is the developer of hydropower project in Connecticut approved by the CGB Board of Directors.	Unfunded guaranty not to exceed \$500,000	500,000	500,000	500,000
CT Solar Lease 1 LLC / CT Solar Loan 1 LLC	CT Green Bank	Amalgamated Bank	Issuer is holder of Solar Lease notes and Loans used as collateral and a wholly owed subsidiary of CGB.	Guarantee payment of a \$3,500,000 revolving line of credit with Amalgamated Bank.	3,500,000	-	100,000
Totals					\$ 11,195,807	\$ 5,614,944	\$ 6,070,535

C. Contingencies

Green Bank is a defendant in various lawsuits and the outcome of these lawsuits is not presently determinable. The resolution of these matters is not expected to have a material adverse effect on the financial condition of Green Bank.

Connecticut Green Bank**Notes to Financial Statements
As of and for the Year Ended June 30, 2022****D. Related party transactions****Due to outside agency**

Green Bank utilizes the services of Connecticut Innovations (CI) when needed for certain operating expenses. CI provides these services at cost and Green Bank reimburses CI. Payments to CI include reimbursements for state sponsored training and the employee assistance program benefit costs. Expenses billed to Green Bank by CI totaled \$0 and \$2,643 for the years ended June 30, 2022 and 2021, respectively. As of June 30, 2022 and 2021, no amounts were due to CI.

Priority return

The investor member is the tax-equity investor and is entitled to substantially all of the tax benefits of both CT Solar Lease 2 LLC and CT Solar Lease 3, LLC until January 1 of the year which is five years after the date the last project is installed, which is anticipated to be January 1, 2023 for CT Solar Lease 2 LLC and September 30, 2023 for CT Solar Lease 3, LLC, the flip date.

The investor member of CT Solar Lease 2 LLC shall be due a cumulative, quarterly distribution, payable by CT Solar Lease 2 LLC, equal to 0.50% of its paid-in capital contributions in respect of projects beginning at the end of the first quarter after the first project acquisition capital contribution is made and continuing until the flip date. To the extent the priority return is not paid in a quarter until the flip date, unpaid amounts will accrue interest at the lower of 24.00% per annum or the highest rate permitted by law.

In accordance with the operating agreement, all amounts and accrued interest due on the priority return are to be paid from net cash flow prior to certain required payments due under the credit agreement. The investor member was paid priority returns of \$510,142 and \$436,293 for the years ended June 30, 2022 and 2021, respectively.

The investor member of CT Solar Lease 3 LLC shall be due a cumulative, quarterly distribution, payable by CEFIA Solar Services, Inc, its managing member, equal to 0.50% of its paid-in capital contributions in respect of projects beginning at the end of the first quarter after the first project acquisition capital contribution is made and continuing until the flip date. To the extent the priority return is not paid in a quarter until the flip date, unpaid amounts will accrue interest at the lower of 24.00% per annum or the highest rate permitted by law.

In accordance with the operating agreement, all amounts and accrued interest due on the priority return are to be paid from net cash flow prior to certain required payments due under the credit agreement. The investor member was paid priority returns of \$90,462 for the years ended June 30, 2022 and 2021.

Administrative services fee

The managing member of CT Solar Lease 2 LLC, CEFIA Solar Services, Inc., provides administrative and management services and earns a quarterly fee initially equal to \$30,000 per quarter beginning July 1, 2013. The amount of the fee increases 2.5% each July 1st beginning July 1, 2014. The administrative services fee totaled \$146,208 and \$142,642 for the years ended June 30, 2022 and 2021, respectively, and has been eliminated from reporting entity totals.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022**D. Related party transactions (continued)****Payroll taxes and fringe benefit charges**

Pursuant to state statute, Green Bank is subject to fringe benefit charges for pension plan and medical plan contributions which are paid at the state level. Green Bank's employer payroll taxes are also paid at the state level. Green Bank reimburses the state for these payments. The reimbursement for 2022 and 2021 was \$4,276,820 and \$3,830,087, respectively, comprising 86.02% and 85.57% respectively, of gross salaries.

Component units

Resources flow between Green Bank and the component units. The activity is recorded as inter-entity transactions and are eliminated for financial reporting purposes.

IV. Pensions and other post-employment benefit ("OPEB") plans**A. State employees retirement system**

All employees of Green Bank participate in the State Employees' Retirement System (SERS), which is administered by the State Employees' Retirement Commission. The latest actuarial study was performed on the plan as a whole, as of June 30, 2021, and does not separate information for employees of Green Bank. Therefore, certain pension disclosures pertinent to Green Bank otherwise required pursuant to accounting principles generally accepted in the United States of America are omitted. Information on the total plan funding status and progress, contribution required and trend information can be found in the State of Connecticut's Annual Comprehensive Financial Report available from the Office of the State Comptroller.

Plan description

SERS is a single-employer defined benefit public employee retirement system (PERS) established in 1939 and governed by Sections 5-152 and 5-192 of the Connecticut General Statutes. Employees are covered under one of five tiers, Tier I, Tier II, Tier IIA, Tier III and Tier IV all of which are contributory plans.

Members who joined the retirement system prior to July 1, 1984 are enrolled in Tier I. Tier I employees who retire at or after age 65 with 10 years of credited service, at or after age 55 with 25 years of service, or at age 55 with 10 years of credited service with reduced benefits are entitled to an annual retirement benefit payable monthly for life, in an amount of 2.00% of the annual average earnings (which are based on the three highest earning years of service) over \$4,800 plus 1 percent of \$4,800 for each year of credited service. Tier I requires employee contributions of 2.00% or 5.00% percent of salary, depending on the plan.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022**A. State employees retirement system (continued)**

Employees hired on and after July 1, 1984 are covered under the Tier II plan. Tier II requires employee contributions of 1.50% of salary. Tier II employees who retire at or after age 60 with 25 years of service, or at age 62 with 10 years of service, or at age 65 with 5 years of service, are entitled to 1-1/3% of the average annual earnings plus 0.50% of the average annual earnings in excess of the salary breakpoint in the year of retirement for each year of credited service. Tier II employees between the ages of 55 and 62 with 10 years but less than 25 years of service may retire with reduced benefits. In addition, Tier II and Tier IIA members with at least 5 but less than 10 years of actual state service who terminate their state employment July 2, 1997 or later and prior to attaining age 62 will be in deferred vested status and may commence receipt of normal retirement benefits on the first of the month on or following their 65 birthday.

Employees hired on and after July 1, 1997 are covered under the Tier IIA plan. Tier IIA plan is essentially the existing Tier II plan with the exception that employee contributions of 3.50% of salary are required. Tier I members are vested after 10 years of service, while Tier II and Tier IIA members may be vested after 5 years of service under certain conditions, and all three plans provide for death and disability benefits.

Employees hired on or after July 1, 2011 are covered under the Tier III plan. Tier III requires employee contributions of 2.00% of salary up to a \$285,000 limit after which no additional contributions will be taken on earnings above this limit. The normal retirement date will be the first of any month on or after age 63 if the employee has at least 25 years of vested service or age 65 if the employee has at least 10 but less than 25 years of vested service. Tier III members who have at least 10 years of vested service can receive early reduced retirement benefits if they retire on the first of any month on or following their 58th birthday. Tier III normal retirement benefits include annual retirement benefits for life, in the amount of 1-1/3% of the 5-year average annual earnings plus 0.50% of the 5-year average annual earnings in excess of the salary breakpoint in the year of retirement for each year of credited service plus 1-5/8 of the 5-year annual average salary times years of credited service over 35 years.

Employees hired on or after July 1, 2017 are covered under the Tier IV plan. Tier IV employees are eligible for a Hybrid Plan structure that includes a combination of a defined benefit and defined contribution plan. Tier IV requires employee contributions to the defined benefit portion of the Hybrid Plan of 5.00% of salary up to \$285,000 limit after which no additional contributions will be taken on earnings above this limit. Tier IV also requires employee contributions of 1.00% of salary up to \$285,000 to the defined contribution portion of the Hybrid Plan. The normal retirement date will be the first of any month on or after age 63 if the employee has at least 25 years of vested service or age 65 if the employee has at least 10 but less than 25 years of vested service. Tier IV members who have at least 10 years of vested service can receive early reduced retirement benefits if they retire on the first of any month on or following their 58th birthday. Tier IV normal retirement benefits include annual retirement benefits for life, in the amount of 1-1/3% of the 5-year average annual earnings times years of credited service with no breakpoint.

The total payroll for employees of Green Bank covered by SERS for the years ended June 30, 2022 and 2021, was \$4,818,596 and \$4,303,205, respectively.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

A. State employees retirement system (continued)**Contributions made**

Green Bank's contribution is determined by applying a State mandated percentage to eligible salaries and wages as follows for the years ended June 30:

<u>Contributions:</u>	<u>2022</u>	<u>2021</u>
Employees:	\$ 223,919	\$ 191,720
Percent of current year covered payroll	4.65%	4.46%
Percent of required contributions	100.00%	100.00%
Employer:	\$ 2,184,680	\$ 1,787,707
Percent of current year covered payroll	45.34%	41.54%
Percent of required contributions	100.00%	100.00%

Green Bank recognizes a net pension liability for the difference between the present value of the projected benefits for the past service known as the Total Pension Liability (TPL) and the restricted resources held in trust for the payment of pension benefits, known as the Fiduciary Net Position (FNP). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the FNP of SERS and additions to/deductions from SERS FNP have been determined on the same basis as they are reported by SERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit term. Investments are recorded at fair value.

At June 30, 2022 and 2021, Green Bank reported a liability of \$21,273,373 and \$20,268,725, respectively, for its proportionate share of the net pension liability. The net pension liability as of June 30, 2022 was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date based on actuarial experience studies for the period July 1, 2015 – June 30, 2020. Green Bank's allocation of the net pension liability was based on the 2021 covered payroll multiplied by the SERS 2021 contribution rate of 69.07%. As of June 30, 2022 and 2021, Green Bank's proportion was 0.100045% and 0.085440%, respectively.

For the years ended June 30, 2022 and 2021, Green Bank recognized pension expense of \$1,653,994 and \$2,288,205, respectively. Pension expense is reported in Green Bank's financial statements as part of general and administration expense. At June 30, 2022 and 2021, Green Bank reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

A. State employees retirement system (continued)

<u>2022</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred Outflows</u>
Difference between expected and actual experience	\$ 1,471,866	\$ -	\$ 1,471,866
Net difference between projected and actual earnings on pension plan investments	-	1,500,029	(1,500,029)
Change of assumptions	-	39,208	(39,208)
Change in proportion and differences between employer contributions and proportionate share of contributions	2,782,932	3,885,654	(1,102,722)
Green Bank contributions subsequent to the measurement date	<u>2,184,680</u>	<u>-</u>	<u>2,184,680</u>
Total	<u>\$ 6,439,478</u>	<u>\$5,424,891</u>	1,014,587
Contributions subsequent to the measurement date to be recognized as a reduction of the net pension liability in the subsequent year			<u>(2,184,680)</u>
Net amortized amount of deferred inflows and outflows			<u>\$ (1,170,093)</u>

The contributions subsequent to the measurement date of the net pension liability but before the end of the reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal period. The amount recognized as deferred inflows and outflows of resources, representing the net differences between expected and actual experience and changes in assumptions or other inputs, is amortized over a five-year closed period beginning in the year in which the difference occurs and will be recognized in expense as follows:

Year 1 (2023)	\$ (255,005)
Year 2 (2024)	(435,400)
Year 3 (2025)	(533,174)
Year 4 (2026)	(185,274)
Year 5 (2027)	<u>238,760</u>
Total	<u>\$ (1,170,093)</u>

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

A. State employees retirement system (continued)

2021	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows
Difference between expected and actual experience	\$ 1,093,940	\$ -	\$ 1,093,940
Net difference between projected and actual earnings on pension plan investments	341,638	-	341,638
Change of assumptions	539,891	-	539,891
Change in proportion and differences between employer contributions and proportionate share of contributions	787,703	5,071,624	(4,283,921)
Green Bank contributions subsequent to the measurement date	<u>1,787,707</u>	<u>-</u>	<u>1,787,707</u>
Total	<u>\$ 4,550,879</u>	<u>\$5,071,624</u>	(520,745)
Contributions subsequent to the measurement date to be recognized as a reduction of the net pension liability in the subsequent year			<u>1,787,707</u>
Net amortized amount of deferred inflows and outflows			<u>\$ 1,266,962</u>

Actuarial methods and assumption

The net pension liability was determined based upon the following actuarial assumptions and inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial valuation date	June 30, 2021
Investment rate of return	6.90%
Inflation	2.50%
Salary increases	3.50-11.50%, including inflation
Cost of living adjustment	1.95%-3.25% based upon tiers
Mortality rates	Mortality rates were based on the Pub-2010 Table, projected generationally with MP-2020

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022**A. State employees retirement system (continued)****Changes in assumptions**

- The wage inflation assumed rate was adjusted to 3.00% from 3.50%.
- The mortality assumption was updated to Pub-2010 Mortality Tables projected generationally with scale MP-2020 from RP-2014 White Collar Mortality Table projected to 2020 by Scale BB.

Discount rate

The discount rate used to measure the total pension liability at June 30, 2021 was the long term expected rate of return, 6.90%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that employer contributions will be made equal to the difference between the projected actuarially determined contribution and member contributions. Projected future benefit payments for all current plan members were projected through the year 2124.

Expected rate of return on investments

The long term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rate of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

A. State employees retirement system (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity Fund	20.0%	5.4%
Developed Market International Stock Fund	11.0%	6.4%
Emerging Markets International Stock Fund	9.0%	8.6%
Core Fixed Income	13.0%	0.8%
Emerging Market Debt Fund	5.0%	3.8%
High Yield Bond Fund	3.0%	3.4%
Real Estate Fund	19.0%	5.2%
Private Equity	10.0%	9.4%
Private Credit	5.0%	6.5%
Alternative Investments	3.0%	3.1%
Liquidity Fund	2.0%	-0.4%
Total	<u>100.0%</u>	

Sensitivity of Green Bank proportionate share of the net pension liability to changes in the discount rates

The following presents Green Bank's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as the proportionate share of the net pension liability using a 1.00% increase or decrease from the current discount rate.

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Green Bank's proportionate share of the net pension liability	<u>\$ 25,852,957</u>	<u>\$ 21,273,373</u>	<u>\$ 17,454,588</u>

B. Other post-employment benefit ("OPEB") plan

In addition to the pension benefits described in Note IV.A, the State single-employer plan provides post-employment health care and life insurance benefits in accordance with State statutes, Sections 5-257(d) and 5-259(a), to all eligible employees who retire from the State, including employees of Connecticut Green Bank. Information on the total plan funding status and progress, contribution required and trend information can be found in the State of Connecticut's Annual Comprehensive Financial Report available from the Office of the State Comptroller.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

B. Other post-employment benefit (“OPEB”) plan (continued)**Plan description**

Currently, four employees meet those eligibility requirements. When employees retire, the State pays up to 100% of their health care insurance premium cost (including dependent's coverage) depending upon the plan. The State currently pays up to 20% of the cost for retiree dental insurance (including dependent's coverage) depending upon the plan. In addition, the State pays 100% of the premium cost for a portion of the employees' life insurance continued after retirement. The amount of life insurance, continued at no cost to the retiree, is determined based on the number of years of service that the retiree had with the State at time of retirement as follows: (a) if the retiree had 25 years or more of service, the amount of insurance will be one-half of the amount of insurance for which the retiree was insured immediately prior to retirement, but the reduced amount cannot be less than \$10,000; (b) if the retiree had less than 25 years of service, the amount of insurance will be the proportionate amount that such years of service is to 25, rounded to the nearest \$100. The state finances the cost of post-employment health care and life insurance benefits on a pay-as-you-go basis through an appropriation in the General Fund.

In accordance with the Revised State Employees Bargaining Agent Coalition (SEBAC) 2011 Agreement between the State of Connecticut and the SEBAC, all employees shall pay the 3% retiree health care insurance contribution for a period of 10 years or retirement, whichever is sooner. In addition, participants of Tier III shall be required to have 15 years of actual State service to be eligible for retirement health insurance. Deferred vested retirees who are eligible for retiree health insurance shall be required to meet the rule of 75, which is the combination of age and actual State service equaling 75 in order to begin receiving retiree health insurance based on applicable SEBAC agreement.

Contributions made

Green Bank's contribution is determined by applying a State mandated percentage to eligible salaries and wages as follows for the years ended June 30:

<u>Contributions:</u>	<u>2022</u>	<u>2021</u>
Employees:	\$ 63,187	\$ 98,503
Percent of current year covered payroll	1.31%	2.29%
Percent of required contributions	100.00%	100.00%
Employer:	\$ 1,067,139	\$ 1,023,772
Percent of current year covered payroll	22.15%	23.79%
Percent of required contributions	100.00%	100.00%

OPEB liabilities, OPEB expense, deferred outflows of resources, and deferred inflows of resources

Green Bank recognizes a net OPEB liability for the difference between the present value of the projected benefits for the past service known as the Total OPEB Liability (TOL) and the restricted resources held in trust for the payment of OPEB benefits, known as the Fiduciary Net Position (FNP).

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

B. Other post-employment benefit (“OPEB”) plan (continued)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the FNP and additions to/deductions from FNP have been determined on the same basis as they are reported by SERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit term.

At June 30, 2022 and 2021, Green Bank reported a liability of \$20,516,564 and \$23,688,515, respectively, for its proportionate share of the net OPEB liability. The net OPEB liability as of June 30, 2022 was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by the actuarial valuation as of that date based on actuarial experience studies for the period July 1, 2015 – June 30, 2020. Green Bank’s allocation of the net OPEB liability was based on the 2021 covered payroll multiplied by the OPEB 2021 contribution rate of 29.93%. As of June 30, 2022 and 2021, Green Bank’s proportion was 0.105065% and 0.100627%, respectively.

For the years ended June 30, 2022 and June 30, 2021, Green Bank recognized OPEB expense of \$315,664 and \$960,044, respectively. OPEB expense is reported in Green Bank’s financial statements as part of salaries and benefits. At June 30, 2022 and June 30, 2021, Green Bank reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

2022	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows and Inflows
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ 191,097	\$ (191,097)
Change of assumptions	2,969,614	4,421,997	(1,452,383)
Change in proportion and differences between employer contributions and proportionate share of contributions	806,390	4,676,359	(3,869,969)
Difference between expected and actual experience in the total OPEB liability	329,728	404,828	(75,100)
Green Bank contributions subsequent to the measurement date	<u>1,067,139</u>	<u>-</u>	<u>1,067,139</u>
Total	<u>\$ 5,172,871</u>	<u>\$ 9,694,281</u>	<u>(4,521,410)</u>
Contributions subsequent to the measurement date to be recognized as a reduction of the net OPEB liability in the subsequent year			<u>(1,067,139)</u>
Net amortized amount of deferred inflows and outflows			<u>\$ (5,588,549)</u>

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

B. Other post-employment benefit (“OPEB”) plan (continued)

The contributions subsequent to the measurement date of the net OPEB liability but before the end of the reporting period will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period. The amount recognized as deferred outflows of resources, representing change in proportion and differences between employer contributions and proportionate share of contributions, deferred inflows of resources, representing the net difference between projected and actual earnings, and changes in plan assumptions, is amortized over a five-year closed period beginning in the year in which the difference occurs and will be recognized in expense as follows:

Year 1 (2023)	\$ (1,478,701)
Year 2 (2024)	(1,346,432)
Year 3 (2025)	(1,628,741)
Year 4 (2026)	(1,014,880)
Year 5 (2027)	<u>(119,795)</u>
Total	<u>\$ (5,588,549)</u>

2021	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows and Inflows
Net difference between projected and actual earnings on OPEB plan investments	\$ 46,711	\$ -	\$ 46,711
Change of assumptions	3,932,054	460,012	3,472,042
Change in proportion and differences between employer contributions and proportionate share of contributions	235,806	6,220,743	(5,984,937)
Change in proportion and differences between employer contributions and proportionate share of contributions	-	546,789	(546,789)
Green Bank contributions subsequent to the measurement date	<u>1,023,772</u>	<u>-</u>	<u>1,023,772</u>
Total	<u>\$ 5,238,343</u>	<u>\$ 7,227,544</u>	(1,989,201)
Contributions subsequent to the measurement date to be recognized as a reduction of the net OPEB liability in the subsequent year			<u>(1,023,772)</u>
Net amortized amount of deferred inflows and outflows			<u>\$ (3,012,973)</u>

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

B. Other post-employment benefit (“OPEB”) plan (continued)**Actuarial methods and assumption**

The net OPEB liability was determined based upon the following actuarial assumptions and inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial valuation date	June 30, 2021
Investment rate of return	2.31% for June 30, 2021 and 2.38 as of June 30, 2020
Inflation	2.50%
Salary increases	3.50-11.50%, including inflation
Health care cost trend rates:	5.125% decreasing to 4.50% by 2023
Medical	6.00% decreasing to 4.50% over 6 years
Dental	3.00%
Part B	4.50%
Administrative	3.00%

Mortality rates for pre-retirement participants were based on the Pub-2010 General, Above-Median, Employee Headcount-weighted Mortality Table projected generationally using Sale MP-2020. Mortality rates for healthy annuitants were based on the Pub-2010 General, Above-Median, Healthy Retiree Headcount-weighted Mortality Table projected generationally using Scale MP-2020. Mortality rates for disabled annuitants were based on the Pub-2010 General, Disabled retiree Headcount-weighted Mortality Table projected generationally using Scale MP-2020. Mortality rates for contingent annuitants were based on the Pub-2010 General, Above-Median, Contingent Annuitant Headcount-weighted Mortality Table projected generationally using Scale MP-2020.

Discount rate

The discount rate is a blend of the long-term expected rate of return on OPEB Trust assets (6.9% as of June 30, 2021 and 2020) and a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rate of AA/Aa or higher (2.16% as of June 30, 2021 and 2.21% as of June 30, 2020). The final discount rate used to measure to total OPEB liability was 2.31% as of June 30, 2021 and 2.38% as of June 30, 2020. The blending is based on the sufficiency of projected assets to make projected benefit payments.

Expected rate of return on investments

The long-term expected rate of return on OPEB plan investments of 6.90% was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding expected inflation.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

B. Other post-employment benefit (“OPEB”) plan (continued)

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity Fund	20.0%	5.4%
Developed Market International Stock Fund	11.0%	6.4%
Emerging Markets International Stock Fund	9.0%	8.6%
Core Fixed Income	13.0%	0.8%
Emerging Market Debt Fund	5.0%	3.8%
High Yield Bond Fund	3.0%	3.4%
Real Estate Fund	19.0%	5.2%
Private Equity	10.0%	9.4%
Private Credit	5.0%	6.5%
Alternative Investments	3.0%	3.1%
Liquidity Fund	<u>2.0%</u>	-0.4%
Total	<u>100.0%</u>	

Sensitivity of Green Bank proportionate share of the net OPEB liability to changes in the discount rates

The following presents Green Bank’s proportionate share of the net OPEB liability calculated using the discount rate of 2.31%, as well as the proportionate share of the net OPEB liability using a 1.00% increase or decrease from the current discount rate.

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Green Bank’s proportionate share of the net OPEB Liability	<u>\$ 24,352,534</u>	<u>\$ 20,516,564</u>	<u>\$ 17,470,336</u>

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

B. Other post-employment benefit (“OPEB”) plan (continued)**Sensitivity of Green Bank’s proportionate share of the net OPEB liability to changes in the healthcare cost trend rates**

The following presents Green Bank’s proportionate share of the net OPEB liability, as well as what Green Bank’s share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Heath Care Cost Trend Rates	1% Increase
Green Bank’s proportionate share of the net OPEB Liability	\$ 17,245,871	\$ 20,516,564	\$ 24,750,092

V. Prior period adjustments

As a result of the implementation of GASB No. 87 a lease receivable and deferred inflows of resources and a right-to-use leased assets and lease liability were recorded. There was no adjustment to net position at July 1, 2020 as a result of implementation. The implementation entry in CT Solar Lease 2 LLC as of July 1, 2020 was as follows:

Leases receivable	\$ 18,997,249
Deferred inflows of resources - lease related	(19,719,812)
Unearned revenue	722,563

The adjustment to fiscal year ended June 30, 2021 total reporting entity on the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position as a result of the implementation of GASB No. 87 was as follows:

	June 30, 2021 As Previously Reported	Fiscal Year Ended June 30, 2021 Adjustment	As Restated June 30, 2021
Restated Accounts			
Statement of Net Position			
Current portion of leases receivable	\$ -	\$ 1,058,634	\$ 1,058,634
Leases receivable	-	17,049,036	17,049,036
Capital assets, net	77,148,329	2,546,069	79,694,398
Accrued expenses	6,685,585	(57,826)	6,627,759
Unearned revenue	721,301	(669,887)	51,414
Long-term debt - current portion	6,264,686	152,035	6,416,721
Long-term debt - long-term portion	100,023,753	2,527,386	102,551,139
Deferred inflows of resources - lease related	-	18,372,780	18,372,780
Total net position - July 1, 2021, as restated			
Primary government	79,577,941	(75,526)	79,502,415
CT Solar Lease 2 LLC	28,104,739	404,777	28,509,516
Total reporting entity	89,165,994	329,251	89,495,245

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2022

V. Prior period adjustments (continued)

<u>Restated Accounts</u>	<u>June 30, 2021 As Previously Reported</u>	<u>Fiscal Year Ended June 30, 2021 Adjustment</u>	<u>As Restated June 30, 2021</u>
<u>Statement of Revenues, Expenses and Changes in Net Position</u>			
Leases revenues	\$ -	\$ 1,916,347	\$ 1,916,347
Other revenues	4,124,886	(1,511,570)	2,613,316
Program administration expense	17,522,836	46,463	17,569,299
General and administrative expense	4,003,987	(50,506)	3,953,481
Interest expense	(3,269,115)	(79,569)	(3,348,684)
Change in net position	12,424,290	329,251	12,753,541

Required Supplementary Information

Type	Description
<u>Pension Plan</u> State Employees' Retirement System	Schedule of Proportionate Share of the Net Pension Liability and Schedule of Contributions
	Notes to Required Supplementary Information
<u>Other Post-Employment Benefits Plan</u> State Employees' Other Post-Employment Benefit (OPEB) Plan	Schedule of Proportionate Share of the Net OPEB Liability and Schedule of Contributions
	Notes to Required Supplementary Information

Connecticut Green Bank

Required Supplementary Information

State Employees' Retirement System
Last Ten Years

	2022	2021	2020	2019	2018	2017	2016 (1)	2015 (1)	2014 (1)	2013 (1)
			Schedule of Proportionate Share of the Net Pension Liability							
Green Bank's proportion of the net pension liability	0.100045%	0.085440%	0.110360%	0.118990%	0.116920%	0.109940%	0.097410%	0.093040%	N/A	N/A
Green Bank's proportionate share of the net pension liability	\$ 21,273,373	\$20,268,725	\$25,174,453	\$ 25,805,346	\$ 24,636,114	\$ 25,245,439	\$16,096,113	\$ 14,899,766	N/A	N/A
Covered payroll	(2) \$ 4,303,205	\$ 3,849,111	\$ 4,819,830	\$ 5,036,904	\$ 4,960,932	\$ 4,695,647	\$ 4,013,411	\$ 3,121,583	N/A	N/A
Green Bank's proportionate share of the net pension liability as a percentage of its covered payroll	494.36%	526.58%	522.31%	512.33%	496.60%	537.63%	537.63%	477.31%	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	44.55%	35.84%	36.79%	36.62%	36.25%	36.25%	39.23%	39.54%	N/A	N/A
			Schedule of Contributions							
Contractually required contribution	\$ 1,787,707	\$ 1,381,046	\$ 1,743,395	\$ 1,717,420	\$ 1,713,946	\$ 1,615,681	\$ 1,974,507	\$ 1,669,961	\$ 1,125,649	\$ 601,014
Contributions in relation to the contractually required contribution	1,787,707	1,381,046	1,743,395	1,717,420	1,713,946	1,615,681	1,974,507	1,669,961	1,125,649	601,014
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	(2) \$ 4,303,205	\$ 3,849,111	\$ 4,819,830	\$ 5,036,904	\$ 4,960,932	\$ 4,695,647	\$ 4,013,411	\$ 3,121,583	\$ 2,517,190	\$ 1,541,308
Contributions as a percentage of covered payroll	41.54%	35.88%	36.17%	34.10%	34.55%	34.41%	49.20%	53.50%	44.72%	38.99%

Notes:

- (1) Years 2013 through 2016 include contributions for other post employment benefits (OPEB) in addition to contributions for the SERS plan. The allocation of the total contribution between SERS and OPEB is not available for this period.
- (2) The covered payroll and contributions presented for each fiscal year are the covered payroll and contributions as of the measurement date, which was the year ended June 30, 2021 for the June 30, 2022 reporting date.
- N/A - Not available or not applicable

Connecticut Green Bank
Notes to Required Supplementary Information

State Employees' Retirement System
Schedule of Contributions
Last Eight Years (1)

	2022	2021	2020	2019	2018	2017	2016	2015
Changes of benefit terms	None	None	None	None	Increased all non-Tier IV members' contribution rates by 1.50% effective July 1, 2017 and an additional 0.50% effective July 1, 2019	None	None	For those retiring on or after July 1, 2013, the benefit multiplier for the portion of benefit below the breakpoint was changed to 1.40% For members not eligible to retire by July 1, 2022, allowed election to increase contribution rates by 0.72% in order to maintain the same normal retirement eligibility as members eligible to retire before that date
The actuarially determined contribution rates are calculated as of	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Actuarial methods and assumptions used to determine contribution rates:								
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level percent of pay, closed 5-year phase into level dollar	Level percent of pay, closed 5-year phase into level dollar	Level percent of pay, closed 5-year phase into level dollar	Level percent of pay, closed 5-year phase into level dollar	Level percent of pay, closed	Level percent of pay, closed	Level percent of pay, closed	Level percent of pay, closed
Remaining amortization period	26.8 years	27.9 years	25.1 years	25.1 years	17 years	17 years	18 years	19 years
Asset valuation method	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing	5-year smoothing
Inflation	2.50%	2.50%	2.50%	2.50%	3.75%	3.75%	2.75%	2.75%
Salary increase	3.50%-19.50%, including inflation	3.50%-19.50%, including inflation	3.50%-19.50%, including inflation	3.50%-19.50%, including inflation	4.00%-20.00%, including inflation	4.00%-20.00%, including inflation	4.00%-20.00%, including inflation	4.00%-20.00%, including inflation
Cost-of-living adjustments	0.00%-7.5%, depending on retirement date and increase in CPI	0.00%-7.5%, depending on retirement date and increase in CPI	0.00%-7.5%, depending on retirement date and increase in CPI	0.00%-7.5%, depending on retirement date and increase in CPI	0.00%-7.5%, depending on retirement date and increase in CPI	0.00%-7.5%, depending on retirement date and increase in CPI	0.00%-7.5%, depending on retirement date and increase in CPI	0.00%-7.5%, depending on retirement date and increase in CPI
Investment rate of return (net)	6.90%, net of investment related expense	6.90%, net of investment related expense	6.90%, net of investment related expense	6.90%, net of investment related expense	8.00%, net of investment related expense	8.00%, net of investment related expense	8.00%, net of investment related expense	8.00%, net of investment related expense
Mortality	Pub-2010 Mortality Tables projected generationally with scale MP-2020	RP-2014 White Collar Mortality Table projected to 2020 by Scale BB	RP-2014 White Collar Mortality Table projected to 2020 by Scale BB	RP-2014 White Collar Mortality Table projected to 2020 by Scale BB	RP-2014 White Collar Mortality Table projected to 2020 by Scale BB	RP-2014 White Collar Mortality Table projected to 2020 by Scale BB	RP-2000 Mortality Table projected with Scale AA 15 years for men (set back 2 years) and 25 years for women (set back 1 year)	RP-2000 Mortality Table projected with Scale AA 15 years for men (set back 2 years) and 25 years for women (set back 1 year)

(1) This schedule is intended to present information for 10 years. Additional years will be presented as the information becomes available.

Connecticut Green Bank

Required Supplementary Information

State Employees' Other Post-Employment Benefit (OPEB) Plan
Last Six Years (1)

	2022	2021	2020	2019	2018	2017
Schedule of Proportionate Share of the Net OPEB Liability						
Green Bank's proportion of the net OPEB liability	0.105065%	0.100627%	0.13773%	0.13902%	0.14327%	0.13805%
Green Bank's proportionate share of the net OPEB liability	\$ 20,516,564	\$ 23,688,515	\$ 28,484,971	\$ 24,000,448	\$ 24,875,889	\$ 23,803,688
Covered payroll	\$ 4,303,205	\$ 3,849,111	\$ 4,819,830	\$ 5,036,904	\$ 4,960,932	\$ 4,695,647
Green Bank's proportionate share of the net OPEB liability as a percentage of its covered payroll	476.77%	615.43%	591.00%	476.49%	501.44%	506.93%
Plan fiduciary net position as a percentage of the total OPEB liability	10.12%	6.13%	5.47%	4.69%	3.03%	1.94%

Schedule of Contributions

Contractually required contribution	\$ 1,023,772	\$ 982,304	\$ 1,164,217	\$ 1,264,900	\$ 956,207	\$ 840,178
Contributions in relation to the contractually required contribution	1,023,772	982,304	1,164,217	1,264,900	956,207	840,178
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 4,303,205	\$ 3,849,111	\$ 4,819,830	\$ 5,036,904	\$ 4,960,932	\$ 4,695,647
Contributions as a percentage of covered payroll	23.79%	25.52%	24.15%	25.11%	19.27%	17.89%

Notes:

- (1) These schedules are intended to present information for 10 years. Additional years will be presented as the information becomes available.
- (2) The covered payroll and contributions presented for each fiscal year are the covered payroll and contributions as of the measurement date, which was the year ended June 30, 2021 for the June 30, 2022 reporting date.

See Notes to Required Supplementary Information.

Connecticut Green Bank
Notes to Required Supplementary Information
State Employees' Other Post-Employment Benefit (OPEB) Plan
Schedule of Contributions
Last Six Years (1)

	2022	2021	2020	2019	2018	2017
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Changes of Benefit Terms	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017	June 30, 2015	June 30, 2015

Actuarial methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit
Amortization Method	Level percent of growing payroll, closed	Level percent of growing payroll, closed	Level percent of growing payroll, closed	Level percent of growing payroll, closed	Level percent of growing payroll, closed	Level percent of growing payroll, closed
Remaining Amortization Period	18 years	18 years	20 years	20 years	22 years	22 years
Asset Valuation Method	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Inflation	2.50%	2.50%	2.50%	2.50%	3.75%	3.75%
Salary Increases	3.50%-11.50%	3.50%-11.50%	3.25%-19.50%	3.25%-19.50%	3.25%-19.50%	3.25%-19.50%
Healthcare Inflation Rate	6.00% graded to 4.50% over 6 years	6.00% graded to 4.50% over 6 years	6.00% graded to 4.50% over 6 years	6.50% graded to 4.50% over 6 years	6.50% graded to 4.50% over 4 years	5.00%
Investment Rate of Return (Net)	6.90%	6.90%	6.90%	6.90%	5.70%	5.70%

Mortality	RP-2014 White Collar Mortality Table projected to 2020 with Scale BB	RP-2014 White Collar Mortality Table projected to 2020 with Scale BB	RP-2014 White Collar Mortality Table projected to 2020 with Scale BB	RP-2014 White Collar Mortality Table projected to 2020 with Scale BB	RP-2014 White Collar Mortality Table projected to 2020 with Scale BB	RP-2000 Combined Mortality Table with male rates projected 15 years (set back 2 years) and female rates projected 25 years (set back 1 year) using scale AA
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(1) This schedule is intended to present information for 10 years. Additional years will be presented as the information becomes available.

Connecticut Green Bank

Net Position by Component
Last Ten Years
(Unaudited)

June 30

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Primary government:										
Net investment in capital assets	\$ 3,534,455	\$ 3,612,561	\$ 2,893,556	\$ 2,511,829	\$ 963,469	\$ 198,486	\$ 248,752	\$ 263,839	\$ 289,932	\$ 362,505
Restricted net position:										
Nonexpendable	-	-	-	-	95,745	91,121	79,179	41,845	8,379	1,000
Restricted - energy programs	16,747,999	16,764,107	10,482,456	11,407,587	19,205,056	16,798,606	5,249,983	4,299,005	4,595,715	5,036,656
Unrestricted net position	81,065,946	59,125,747	53,287,502	51,057,268	59,206,810	79,830,841	116,273,628	104,840,938	97,747,386	93,717,230
Total primary government	101,348,400	79,502,415	66,643,514	64,976,684	79,471,080	96,919,054	121,851,542	109,445,627	102,641,412	99,117,391
CT Solar Lease 2 LLC:										
Net investment in capital assets	1,478,978	1,270,510	1,175,198	1,330,432	1,347,368	1,356,697	485,108	278,307	35,390	-
Restricted net position:										
Nonexpendable	44,186,949	47,932,633	49,439,082	60,294,483	62,208,324	64,596,932	66,364,332	36,508,164	7,617,084	4,691,594
Restricted - energy programs	34,216	34,205	39,697	46,598	45,113	45,028	45,000	45,000	45,000	45,000
Unrestricted net position	(17,582,341)	(20,727,832)	(21,704,523)	(22,648,568)	(22,247,455)	(25,125,419)	(32,934,704)	(21,703,932)	(4,105,401)	(1,853,380)
Total CT Solar Lease 2 LLC	28,117,802	28,509,516	28,949,454	39,022,945	41,353,350	40,873,238	33,959,736	15,127,539	3,592,073	2,883,214
CEFIA Solar Services, Inc:										
Net investment in capital assets	403,648	341,366	353,521	-	-	-	-	-	-	-
Restricted net position:										
Restricted - energy programs	83,000	83,000	83,000	83,000	-	-	-	-	-	-
Unrestricted net position	111,995	149,467	20,918	432,139	559,958	486,565	346,379	224,754	109,223	100
Total CEFIA Solar Services, Inc.	598,643	573,833	457,439	515,139	559,958	486,565	346,379	224,754	109,223	100
CT Solar Lease 3 LLC:										
Net investment in capital assets	98,848	102,750	106,652	121,106	111,852	-	-	-	-	-
Restricted net position:										
Nonexpendable	13,542,708	14,741,113	14,949,003	15,757,514	13,369,938	-	-	-	-	-
Unrestricted net position	(1,303,733)	(2,669,983)	(3,099,959)	(3,527,528)	(4,076,898)	-	-	-	-	-
Total CT Solar Lease 3 LLC	12,337,823	12,173,880	11,955,696	12,351,092	9,404,892	-	-	-	-	-
Eliminations	(31,264,399)	(31,264,399)	(31,264,399)	(40,583,744)	(39,454,629)	(31,562,901)	(28,795,323)	(15,630,676)	(5,549,471)	(3,500,100)
Total net position:										
Net investment in capital assets	5,515,929	5,327,187	4,528,927	3,963,367	2,422,689	1,555,183	733,860	542,146	325,322	362,505
Restricted net position:										
Nonexpendable	57,729,657	62,673,746	64,388,085	76,051,997	75,674,007	64,688,053	66,443,511	36,550,009	7,625,463	4,692,594
Restricted - energy programs	16,865,215	16,881,312	10,585,153	11,537,185	19,250,169	16,843,634	5,294,983	4,344,005	4,640,715	5,081,656
Unrestricted net position	31,027,468	4,613,000	(2,760,461)	(15,270,433)	(6,012,214)	23,629,086	54,889,980	67,731,084	88,201,737	88,363,850
Total net position	\$ 111,138,269	\$ 89,495,245	\$ 76,741,704	\$ 76,282,116	\$ 91,334,651	\$ 106,715,956	\$ 127,362,334	\$ 109,167,244	\$ 100,793,237	\$ 98,500,605

Source: Current and prior year financial statements.

Connecticut Green Bank
Changes in Net Position
Last Ten Years
(Unaudited)

	For the Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Primary government:										
Operating revenues	\$ 56,249,619	\$ 51,253,329	\$ 49,575,685	\$ 43,837,016	\$ 47,772,908	\$ 46,961,726	\$ 72,146,387	\$ 74,663,780	\$ 53,336,236	\$ 43,926,668
Operating expenses:										
Cost of goods sold - energy systems	451,092	746,515	4,371,059	4,601,431	12,979,629	11,333,034	28,826,974	22,526,874	2,794,270	-
Provision for loan losses	(3,560,588)	238,942	4,962,343	2,908,974	361,711	956,489	1,021,826	563,825	1,310,933	-
Grants and incentive programs	16,488,395	16,787,858	17,313,711	15,598,111	18,932,920	18,128,022	11,539,070	10,686,366	13,798,012	17,767,885
Program administration	15,578,628	13,399,419	12,333,764	13,586,373	12,878,508	13,228,749	13,964,097	10,833,325	9,150,664	5,866,580
General and administrative	3,005,772	3,752,502	6,701,666	5,484,608	5,759,801	5,228,711	4,445,648	2,984,178	2,408,715	1,811,227
Total operating expenses	31,963,299	34,925,236	45,682,543	42,179,497	50,912,569	48,875,005	59,797,615	47,594,568	29,462,594	25,445,692
Operating income (loss)	24,286,320	16,328,093	3,893,142	1,657,519	(3,139,661)	(1,913,279)	12,348,772	27,069,212	23,873,642	18,480,976
Nonoperating revenues (expenses):										
Interest income - short-term cash deposits	138,506	16,041	160,505	400,407	311,730	189,237	92,536	83,761	98,383	103,928
Interest income - component units	69,475	67,792	(2,327,387)	(772,224)	(172,817)	(228,502)	(61,796)	(26,985)	-	-
Interest expense	(2,739,598)	(2,401,598)	66,327	64,544	62,981	61,455	60,127	58,511	57,407	-
Interest expense - component units	-	-	(429)	(429)	-	-	-	-	-	-
Debt issuance costs	(13,500)	(1,001,139)	(18,800)	(1,738,743)	(510,207)	(93,974)	(33,723)	(1,180,285)	(350,000)	(1,034,605)
Net change in fair value of investments	104,782	(74,762)	(106,957)	(104,466)	(510,207)	(999,998)	-	-	349,999	378,059
Unrealized gain (loss) on interest rate swap	-	-	-	-	-	-	-	-	-	-
Net nonoperating revenues (expenses)	(2,440,335)	(3,393,666)	(2,226,312)	(2,150,911)	(308,313)	(1,071,782)	57,144	(1,064,998)	155,789	(552,618)
Income (loss) before transfers, capital contributions and member (distributions)	21,845,985	12,934,427	1,666,830	(493,392)	(3,447,974)	(2,985,061)	12,405,916	26,004,214	24,029,431	17,928,358
Capital contributions	-	-	-	-	-	-	-	-	-	1,000
Distributions to members	-	-	-	(1,000)	-	-	-	-	-	-
Distributions to State of Connecticut	-	-	-	(14,000,000)	(14,000,000)	-	-	(19,200,000)	(6,200,000)	-
Total primary government changes in net position	\$ 21,845,985	\$ 12,934,427	\$ 1,666,830	\$ (14,494,392)	\$ (17,447,974)	\$ (2,985,061)	\$ 12,405,916	\$ 6,804,214	\$ 17,829,431	\$ 17,929,358
CT Solar Lease 2 LLC:										
Operating revenues	\$ 3,863,773	\$ 4,073,912	\$ 4,040,994	\$ 3,942,151	\$ 3,837,865	\$ 3,659,883	\$ 2,416,597	\$ 210,869	\$ 1,770	\$ -
Operating expenses:										
Program administration expenses	3,191,357	3,385,864	3,599,905	3,526,293	4,083,177	3,884,129	3,078,633	1,201,123	600,186	-
General and administrative expenses	329,080	302,205	253,880	274,833	288,724	620,912	305,217	124,748	127,511	853,480
Total operating expenses	3,514,437	3,688,069	3,853,785	3,801,126	4,371,901	4,505,041	3,383,850	1,325,871	727,697	853,480
Nonoperating revenues (expenses):										
Interest income - short-term cash deposits	1,112	1,195	4,454	15,005	21,904	17,615	27,777	9,207	8,642	-
Interest expense	(750,898)	(829,897)	(1,027,865)	(1,168,918)	(1,171,323)	(961,956)	(669,043)	(92,360)	-	-
Interest expense - component units	(121,308)	(118,359)	(115,796)	(112,673)	(109,939)	(92,892)	(60,127)	(58,511)	(67,407)	-
Net change in fair value of investments	(151,944)	(312,537)	(13,156)	-	-	-	-	-	-	-
Unrealized gain (loss) on interest rate swap	792,130	465,334	(641,133)	(694,702)	712,355	1,086,987	(967,791)	(660,073)	-	-
Net nonoperating revenues (expenses)	(230,908)	(794,264)	(1,793,496)	(1,961,288)	(547,003)	49,754	(1,669,184)	(801,737)	(48,765)	-

(Continued)

Connecticut Green Bank

Changes in Net Position
Last Ten Years
(Unaudited)

	For the Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
CT Solar Lease 2 LLC (continued):										
Income (loss) before transfers, capital contributions and member (distributions)	\$ 118,428	\$ (408,421)	\$ (1,606,287)	\$ (1,820,263)	\$ (1,081,039)	\$ (795,404)	\$ (2,636,437)	\$ (1,916,739)	\$ (774,692)	\$ (853,480)
Capital contributions	-	-	-	-	114,755	8,145,358	21,770,182	13,556,793	1,496,135	3,736,694
Distributions to members	(510,142)	(436,293)	(510,910)	(510,142)	(509,564)	(436,452)	(301,548)	(104,579)	(12,584)	-
Total CT Solar Lease 2 LLC changes in net position	\$ (391,714)	\$ (844,714)	\$ (2,117,197)	\$ (2,330,405)	\$ (1,475,848)	\$ 6,913,502	\$ 18,832,197	\$ 11,535,485	\$ 708,859	\$ 2,863,214
CEFIA Solar Services, Inc.:										
Operating revenues	\$ 435,436	\$ 340,147	\$ 258,245	\$ 176,938	\$ 132,458	\$ 129,227	\$ 126,075	\$ 123,000	\$ 120,000	\$ -
Operating expenses:										
Program administration	422,207	227,844	321,005	223,512	61,520	-	-	-	-	-
General and administrative	5,003	8,858	4,552	4,600	4,601	4,998	4,750	8,450	10,877	-
Total operating expenses	427,210	236,702	325,557	228,112	66,121	4,998	4,750	8,450	10,877	-
Nonoperating revenues (expenses):										
Interest income - short-term cash deposits	1	2	133	585	4,827	16,446	300	981	-	-
Interest income - component units	51,833	50,567	(39,990)	(42,359)	(44,729)	(31,326)	-	-	-	-
Interest expense	(35,250)	(37,620)	49,469	48,129	46,958	31,437	-	-	-	-
Net nonoperating revenues (expenses)	16,584	12,949	9,612	6,355	7,056	15,957	300	981	-	-
Income (loss) before transfers, capital contributions and member (distributions)	24,810	116,394	(57,700)	(44,819)	73,393	140,186	121,625	115,531	109,123	-
Capital contributions	-	-	-	-	-	-	-	-	-	100
Total CEFIA Solar Services, Inc. changes in net position	\$ 24,810	\$ 116,394	\$ (57,700)	\$ (44,819)	\$ 73,393	\$ 140,186	\$ 121,625	\$ 115,531	\$ 109,123	\$ 100
CT Solar Lease 3 LLC:										
Operating revenues	\$ 804,131	\$ 899,794	\$ 924,753	\$ 776,695	\$ 343,814	\$ -	\$ -	\$ -	\$ -	\$ -
Operating expenses:										
Program administration	525,282	509,709	551,135	513,289	354,566	-	-	-	-	-
General and administrative	26,775	83,064	115,190	94,125	37,332	-	-	-	-	-
Total operating expenses	552,057	592,773	666,325	607,414	391,898	-	-	-	-	-
Nonoperating revenues (expenses):										
Interest income - short-term cash deposits	2,331	1,623	478	261	15	-	-	-	-	-
Income (loss) before transfers, capital contributions and member (distributions)	254,405	308,644	258,906	169,542	(48,069)	-	-	-	-	-
Capital contributions	(90,462)	(90,461)	452,554	2,855,179	9,483,568	-	-	-	-	-
Distribution to member	-	-	(86,494)	(78,521)	(30,607)	-	-	-	-	-
Total CT Solar Lease 3 LLC changes in net position	\$ 163,943	\$ 218,183	\$ 624,966	\$ 2,946,200	\$ 9,404,892	\$ -	\$ -	\$ -	\$ -	\$ -

Source: Current and prior year financial statements.

(Concluded)

Table 3
(1 of 2)

Connecticut Green Bank

Operating Revenue by Source
Last Ten Years
(Unaudited)

Fiscal Year Ended June 30,	Total Operating Revenues	Utility Remittances		Interest Income Promissory Notes		RGGI Auction Proceeds		Grant Revenue		Energy System Equipment Sales		Renewable Energy Credits/ Certificates Sales		Other Revenues	
		Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total
Primary government:															
2022	\$ 56,249,619	\$ 25,279,305	44.9%	\$ 6,142,849	10.9%	\$ 11,568,905	20.6%	\$ -	0.0%	\$ 451,092	0.8%	\$ 12,013,272	11.4%	\$ 794,196	1.4%
2021	51,253,328	25,144,416	49.1%	6,844,740	13.4%	6,452,886	12.6%	13,288	0.0%	746,515	1.5%	10,844,449	21.2%	1,207,034	2.4%
2020	49,575,683	24,854,150	50.1%	6,105,290	12.3%	4,581,628	9.2%	76,402	0.2%	4,373,423	8.8%	8,361,721	16.9%	1,223,069	2.5%
2019	43,837,016	26,094,682	59.5%	3,907,760	8.9%	2,130,255	4.9%	200,779	0.5%	4,833,647	11.0%	5,348,537	12.2%	1,321,357	3.0%
2018	47,772,908	25,943,182	54.3%	3,291,701	6.9%	1,250,260	2.6%	81,952	0.2%	13,559,517	28.4%	2,827,682	5.9%	818,614	1.7%
2017	46,961,726	26,404,349	56.2%	2,921,710	6.2%	2,392,647	5.1%	98,486	0.2%	12,689,540	27.0%	2,214,000	4.7%	240,994	0.5%
2016	72,146,387	26,605,084	36.9%	2,895,508	4.0%	6,481,562	9.0%	589,917	0.8%	32,767,009	45.4%	2,419,990	3.4%	387,321	0.5%
2015	74,663,779	27,233,987	36.5%	2,625,308	3.5%	16,583,545	22.2%	192,274	0.3%	25,912,414	34.7%	1,474,488	2.0%	641,763	0.9%
2014	53,336,236	27,779,345	52.1%	1,034,953	1.9%	20,074,668	37.6%	321,642	0.6%	3,548,840	6.7%	376,559	0.7%	200,229	0.4%
2013	43,926,668	27,621,409	62.9%	583,575	1.3%	4,744,657	10.8%	10,035,250	22.8%	-	0.0%	147,000	0.3%	794,777	1.8%
CT Solar Lease 2 LLC:															
2022	\$ 3,863,773	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 649,060	16.8%	\$ 3,214,713	83.2%
2021	4,073,911	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	832,687	20.4%	3,241,224	79.6%
2020	4,040,995	-	0.0%	323	0.0%	-	0.0%	-	0.0%	-	0.0%	746,721	18.5%	3,293,951	81.5%
2019	3,942,151	-	0.0%	1,736	0.0%	-	0.0%	-	0.0%	-	0.0%	738,153	18.7%	3,202,263	81.2%
2018	3,837,865	-	0.0%	1,637	0.0%	-	0.0%	-	0.0%	-	0.0%	700,015	18.2%	3,136,213	81.7%
2017	3,659,883	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	356,647	9.7%	3,303,236	90.3%
2016	2,416,597	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	233,793	9.7%	2,182,804	90.3%
2015	210,869	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	210,869	100.0%
2014	1,770	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	1,770	100.0%
2013	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
CEFIA Solar Services Inc:															
2022	\$ 435,436	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 15,397	3.5%	\$ 420,039	96.5%
2021	340,145	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	20,998	6.2%	319,147	93.8%
2020	258,246	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	5,483	2.1%	252,763	97.9%
2019	176,938	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	176,938	100.0%
2018	132,458	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	132,458	100.0%
2017	129,227	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	129,227	100.0%
2016	126,075	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	126,075	100.0%
2015	123,000	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	123,000	100.0%
2014	120,000	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	120,000	100.0%
2013	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
CT Solar Lease 3 LLC:															
2022	\$ 804,131	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 388,148	48.3%	\$ 415,983	51.7%
2021	899,793	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	491,782	54.7%	408,011	45.3%
2020	924,753	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	534,086	57.8%	390,666	42.2%
2019	776,695	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	402,789	51.9%	373,906	48.1%
2018	343,814	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	131,623	38.3%	211,991	61.7%
2017	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
2016	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
2015	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
2014	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
2013	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%

(Continued)

Table 3
(2 of 2)

Connecticut Green Bank
Operating Revenue by Source
Last Ten Years
(Unaudited)

	Utility Remittances		Interest Income Promissory Notes		RGGI Auction Proceeds		Grant Revenue		Energy System Equipment Sales		Renewable Energy Credits/ Certificates Sales		Other Revenues	
	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total
Eliminations:														
2022	\$ (637,582)	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ (637,582)	100.0%
2021	(1,050,534)	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	(1,050,534)	100.0%
2020	(1,476,079)	0.0%	-	0.0%	-	0.0%	-	0.0%	(367,029)	24.9%	-	0.0%	(1,109,050)	75.1%
2019	(3,100,440)	0.0%	-	0.0%	-	0.0%	-	0.0%	(2,038,310)	65.7%	-	0.0%	(1,062,130)	34.3%
2018	(11,912,052)	0.0%	-	0.0%	-	0.0%	-	0.0%	(10,777,111)	90.5%	-	0.0%	(1,134,941)	9.5%
2017	(13,862,578)	0.0%	-	0.0%	-	0.0%	-	0.0%	(12,689,540)	91.5%	-	0.0%	(1,173,038)	8.5%
2016	(34,065,320)	0.0%	-	0.0%	-	0.0%	-	0.0%	(32,767,009)	96.4%	-	0.0%	(1,298,311)	3.6%
2015	(26,077,923)	0.0%	-	0.0%	-	0.0%	-	0.0%	(25,895,727)	99.3%	-	0.0%	(182,196)	0.7%
2014	(3,688,840)	0.0%	-	0.0%	-	0.0%	-	0.0%	(3,548,840)	96.7%	-	0.0%	(120,000)	3.3%
2013	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total reporting entity:														
2022	\$ 60,715,377	41.6%	\$ 6,142,849	10.1%	\$ 11,568,905	19.1%	\$ -	0.0%	\$ 451,092	0.7%	\$ 13,065,877	21.5%	\$ 4,207,349	6.9%
2021	55,516,643	45.3%	6,844,740	12.3%	6,452,886	11.6%	13,288	0.0%	746,515	1.3%	12,189,916	22.0%	4,124,882	7.4%
2020	53,323,598	46.6%	6,105,613	11.5%	4,581,628	8.6%	76,402	0.1%	4,006,394	7.5%	9,648,011	18.1%	4,051,399	7.6%
2019	45,632,360	57.2%	3,909,496	8.6%	2,130,255	4.7%	200,779	0.4%	2,795,337	6.1%	6,489,479	14.2%	4,012,334	8.8%
2018	40,174,993	64.6%	3,293,338	8.2%	1,250,250	3.1%	81,952	0.2%	2,782,406	6.9%	3,659,520	9.1%	3,164,335	7.9%
2017	36,888,258	71.6%	2,921,710	7.9%	2,392,647	6.5%	98,486	0.3%	-	0.0%	2,570,647	7.0%	2,500,419	6.8%
2016	40,683,739	65.4%	2,895,504	7.1%	6,481,562	15.9%	589,917	1.5%	-	0.0%	2,653,783	6.5%	1,457,889	3.6%
2015	48,919,725	55.7%	2,625,308	5.4%	16,583,545	33.9%	192,274	0.4%	16,687	0.0%	1,474,488	3.0%	793,436	1.6%
2014	49,789,166	55.8%	1,034,953	2.1%	20,074,668	40.3%	321,642	0.6%	-	0.0%	376,559	0.8%	201,999	0.4%
2013	43,926,668	62.9%	583,575	1.3%	4,744,657	10.8%	10,035,250	22.8%	-	0.0%	147,000	0.3%	794,777	1.8%

Source: Current and prior year financial statements and Green Bank detailed records

(Concluded)