

**Report of Actual Revenues and Expenditures Compared to Budget  
Pursuant to Section 203.8(b) of Regulation 2 NYCRR Part 203  
For the Fiscal Year Ended March 31, 2019**

The following table summarizes actual revenues and expenses, as reported in the Statement of Activities, for the fiscal year ended March 31, 2019, in comparison to amounts included in the final budget approved by NYSERDA's Board:

*(Amounts in thousands)*

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Variance</u>
<b>Revenues:</b>				
State appropriations	\$25,190	30,511	(5,321)	-17.4%
Utility surcharge assessments	556,603	823,233	(266,630)	-32.4%
Renewable energy credit assessments	1,138	12,510	(11,372)	-90.9%
Zero-emission credit assessments	451,560	484,403	(32,843)	-6.8%
Allowance proceeds	100,839	106,586	(5,747)	-5.4%
Third-party reimbursements	38,881	49,231	(10,350)	-21.0%
Federal grants	16,351	17,640	(1,289)	-7.3%
Interest subsidy	436	434	2	0.5%
Project repayments	616	384	232	60.4%
Rentals from leases	978	982	(4)	-0.4%
Fees and other income	6,706	3,526	3,180	90.2%
Loans and financing receivables interest	22,427	26,158	(3,731)	-14.3%
Investment income	15,792	2,884	12,908	447.6%
<b>Total revenues</b>	<b>1,237,517</b>	<b>1,558,482</b>	<b>(320,965)</b>	<b>-20.6%</b>
<b>Expenses:</b>				
Salaries and benefits	52,041	54,651	(2,610)	-4.8%
Program expenditures	1,020,270	1,286,331	(266,061)	-20.7%
Investment related expenses	456	500	(44)	-8.8%
Program operating costs	2,733	3,480	(747)	-21.5%
General & administrative expenses	8,957	9,869	(912)	-9.2%
Depreciation	2,863	3,466	(603)	-17.4%
NY State assessments	13,593	12,554	1,039	8.3%
Interest	4,146	3,466	680	19.6%
<b>Total expenses</b>	<b>1,105,059</b>	<b>1,374,317</b>	<b>(269,258)</b>	<b>-19.6%</b>
<b>Excess revenues</b>	<b>132,458</b>	<b>184,165</b>	<b>(51,707)</b>	<b>-28.1%</b>
<b>Net position, beginning of year</b>	<b>868,086</b>	<b>957,861</b>	<b>(89,775)</b>	<b>-9.4%</b>
<b>Cumulative effect of change in accounting principle (GASB 75)</b>	<b>(2,892)</b>	<b>-</b>	<b>(2,892)</b>	<b>n/a</b>
<b>Net position, end of year</b>				
Net investments in capital assets	15,917	19,274	(3,357)	-17.4%
Restricted for specific programs	977,625	1,119,725	(142,100)	-12.7%
Unrestricted	4,110	3,027	1,083	35.8%
<b>Total net position, end of year</b>	<b>\$997,652</b>	<b>1,142,026</b>	<b>(144,374)</b>	<b>-12.6%</b>

Total revenues were approximately \$321.0 million (20.6%) below budget. With regard to significant revenue fluctuations, State appropriations revenues were less than budgeted principally due to the level of reimbursable expenditures for certain programs funded through State re-appropriations. Utility surcharge assessments were less than budgeted principally due to lower than expected program expenditures in the

Clean Energy Fund (CEF) and the NY-Sun programs. Zero-emission credit assessments were less than budget primarily due to lower production by the nuclear generating facilities than anticipated. Allowance auction proceeds were less than budget due to lower clearing prices for allowances sold than had been estimated in the budget. Third-party reimbursements were less than budget primarily due to the level of reimbursable expenditures for the Con Edison Indian Point Energy Center Reliability Contingency program being less than anticipated in the budget, coupled with the advance payment mechanism under which this program is funded. Interest on loans was under budget principally from lower NY Green Bank capital deployed and from more loan repayments received than assumed in the Budget. Investment income was higher than budget due to both higher than anticipated yields and larger than expected balances of investments held, the latter primarily due to program expenditures being less than budgeted.

Total expenses were approximately \$269.3 million (19.6%) below budget. With regard to significant expense fluctuations, Salaries and benefits were lower than budgeted primarily due to expenses for pension and post-employment benefits other than pensions being much less than anticipated due to updated actuarial valuations. Program expenditures were less than budgeted primarily due to the level of expenditures for CEF, NY-Sun, Renewable Portfolio Standard, Energy Efficiency Portfolio Standard, Regional Greenhouse Gas Initiative, and the Clean Energy Standard programs being lower than was anticipated in the budget. NY State assessments reflects an unanticipated increase in the annual NYS Cost Recovery Fee.