



**Environmental
Facilities Corporation**

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**NEW YORK STATE
ENVIRONMENTAL FACILITIES CORPORATION**

**2025 – 2026 FISCAL YEAR
BUDGET and FINANCIAL PLAN**

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Introduction

Mission and Purpose

The mission of the Environmental Facilities Corporation (EFC) is to assist communities throughout New York State in undertaking critical water quality infrastructure projects by providing access to low-cost capital, grants, and expert technical assistance. A primary goal is to ensure that these projects remain affordable while safeguarding essential water resources. We support this mission by consistently using an innovative approach to developing and advancing new financing strategies to maximize the funding that can be made available to our clients, facilitating compliance with federal and State requirements, and promoting green infrastructure practices.

Programs

The Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) are EFC's core funding programs. With its partner, the State Department of Environmental Conservation (DEC), the corporation is responsible for the operation and administration of the CWSRF. Through the CWSRF, EFC provides interest-free or low-interest rate financing and grants to support a variety of eligible water quality improvement projects, including point source projects, nonpoint source projects, and national estuary projects. EFC similarly operates and administers the DWSRF, with its partner the State Department of Health (DOH), to finance drinking water infrastructure projects. The federal Environmental Protection Agency (EPA) annually provides grants to the State to capitalize the CWSRF and DWSRF programs. EFC uses this federal money, along with the required State match, to fund projects for the purpose of preserving, protecting, or improving water quality. As borrowers repay their loans, repayments of principal and interest earnings are recycled back into the programs to finance new projects, allowing the funds to "revolve" over time. Additionally, the Infrastructure Investment and Jobs Act of 2021, also known as the Bipartisan Infrastructure Law ("BIL"), is an investment by the federal government in our nation's core infrastructure priorities, including water infrastructure. BIL will add significant funds to both the CWSRF and DWSRF. All BIL-funded projects serve the purpose of constructing infrastructure and creating jobs.

The New York State Clean Water Infrastructure Act of 2017 (CWIA) invests \$2.5 billion in clean and drinking water infrastructure projects and water quality protection across New York. Additionally, \$3.0 billion was appropriated in subsequent State Enacted Budgets, resulting in a \$5.5 billion state commitment to clean and drinking water. At least \$2.1 billion of these funds have been provided for the New York State Water Infrastructure Improvement (WIIA) program, which authorizes and directs EFC to provide grants to municipalities to support their water quality infrastructure. WIIA grants are available for both drinking water and sewage treatment works (clean water) projects. As part of CWIA, \$225 million was allocated to the New York State Intermunicipal Water Infrastructure Grants Program (IMG), which authorizes and directs EFC to provide grants to support intermunicipal water quality infrastructure projects. \$130 million from the Clean Water, Clean Air and Green Jobs Environmental Bond Act ("Bond Act") were allocated to the WIIA program, and \$70 million was allocated from the Bond Act for IMG.

The Green Resiliency Grant program (GRG) is a competitive grant program started in SFY 2025 and designed to support communities in implementing transformative green infrastructure projects, prioritizing grants to flood-prone communities that is helping them undertake transformative green infrastructure projects that combat the effects of climate change.

EFC administers the Septic System Replacement Fund, established as part of CWIA, which provides grants to property owners and small businesses in participating counties for the replacement of cesspools and septic systems in New York State to reduce the environmental and public-health impacts associated with the discharge of effluent from cesspools and septic systems on groundwater used as drinking water, as well as threatened or impaired water bodies.

The Emergency Financial Assistance Program was also established as part of CWIA and directs EFC to provide expedited financial assistance to municipalities for wastewater and drinking water infrastructure emergencies. The amount of financial assistance provided to a municipality will be based on the reasonable costs immediately necessary to address the emergency. The financial assistance is a loan which must be repaid within one year, with the possibility of a one-year extension for good cause.

The Resiliency and Economic Development Initiative (REDI) was established by the 2019-20 Enacted State Budget to secure critical water quality assets in the eight counties impacted by Lake Ontario and St. Lawrence River flooding. EFC administers funding to REDI projects directly related to water quality.

The Clean Vessel Assistance Program (CVAP) provides grants to marinas for the installation, renovation, and replacement of pumpout stations for the removal and disposal of recreational boater septic waste. The program is federally funded through the United States Fish and Wildlife Service and is administered by EFC.

Corporate Structure and Statutory Authority

EFC is a public benefit corporation formed pursuant to the New York State Environmental Facilities Corporation Act (Chapter 744 of the Laws of New York State of 1970, or Title 12 of Article 5 of the NYS Public Authorities Law, as amended) (EFC Act). The corporation is governed by a Board of Directors. Three of the directors are designated in the EFC Act as ex-officio members: the Commissioner of Environmental Conservation, whom the EFC Act also designates as the Chair of the corporation, the Commissioner of Health, and the Secretary of State. The four remaining directors are appointed by the Governor, by and with the advice and consent of the State Senate. The appointed directors serve staggered six-year terms. The Board of Directors appoints the corporation's President and Corporate Officers. As of the payroll period ending November 20, 2024, EFC has 111 filled positions.

The statutory basis for substantially all EFC activity stems from the EFC Act. EFC is a separate entity apart from the State without any power of taxation. The statute permits EFC to, among other things:

- administer and finance the State Revolving Funds established by the State as set forth in the EFC Act pursuant to the federal Water Quality Act of 1987 and the federal Safe Drinking Water Act Amendments of 1996;
- finance, through the issuance of special obligation revenue bonds under the Industrial Finance Program, water management, solid waste disposal, brownfield clean up, sewage treatment and pollution control projects undertaken by or on behalf of private entities;
- render technical advice and assistance to private entities, State agencies, and local government units on sewage treatment and collection, pollution control, recycling, hazardous waste abatement, solid waste disposal and other related subjects.

Budget Process and Timeline

Projected Calendar of Events

August - October	Development of revenue and expense projections. Preparation of the EFC Draft Budget and Financial Plan.
November	Posting on EFC's website of the EFC Draft Budget and Financial Plan for public inspection by 11/12/24. Forward the EFC Draft Budget and Financial Plan to the Board of Directors and notify the Office of the NYS Comptroller.
December	Refine the EFC Draft Budget and Financial Plan. Present and discuss with the Audit Committee the EFC Draft Budget and Financial Plan. Request Board of Directors' approval of the EFC Draft Budget and Financial Plan and posting on EFC's website of the approved EFC Budget and Financial Plan for public inspection on 12/12/24. Notify the Office of the NYS Comptroller. Submission of the approved EFC Budget and Financial Plan to the Office of the NYS Comptroller and the NYS Authorities Budget Office by 12/15/24. Submission of the approved EFC Budget and Financial Plan to other interested parties by 12/31/24.

Budgetary Assumptions

For Federal Fiscal Year (FFY) 2025, base capitalization grants to New York State (NYS) for the CWSRF are estimated to be approximately \$50 million in Federal funds and \$10 million in State matching funds for a total of \$60 million. Of the \$60 million, EFC and DEC plan to use \$6 million for the costs of administering the CWSRF.

For FFY 2025, base capitalization grants to NYS for the DWSRF are estimated to be approximately \$20 million in federal funds and \$4 million in State matching funds. Of the \$24 million, EFC and DOH plan to use \$3.2 million for the costs of administering the DWSRF and for other authorized set-aside activities.

BIL has added significant resources to both the CWSRF and DWSRF nationwide. For the CWSRF, over \$11.3 billion in additional base SRF funding and almost \$1 billion in Emerging Contaminant funds have been appropriated. DWSRF funding includes \$11.3 billion additional base SRF funding, along with \$3.85 billion in Emerging Contaminant funds, and \$14.4 billion for Lead Service Line Remediation. For the State Fiscal Year (SFY) 2025-26 Budget and Financial Plan, it is assumed that New York State's FFY 2025 allocation of \$353.3 million for the CWSRF will be drawn from the EPA in SFY 2025-26. Of the \$287.5 million allocated to the DWSRF by the EPA for FFY 2025, \$191.4 million is estimated to be drawn in SFY 2025-26. Actual timing is likely to vary and could lead to shifts in Project Grant Revenues. EFC assumes New York State's proportionate share of total BIL funding, approximately 11% for the CWSRF and 4% for the DWSRF, will remain consistent in all plan years.

Projected par values of new debt issuances (net of refundings) for the CWSRF and DWSRF are estimated to be approximately \$371.1 million and \$264.5 million, respectively, for SFY 2025. For SFY 2026, new debt issuances are projected at approximately \$300 million and \$175 million, for the CWSRF and DWSRF, respectively. Issuances based on refunding prior debt are not included in these figures.

Investment interest is based on earnings from EFC's current long-term portfolio and on assumed balances available for short-term investment at current market yields. Current short-term investment balances are assumed to be reinvested; long-term investment balances are not.

The change in market value of EFC's long-term investment portfolio is not projected. This change is contingent on market conditions and may produce an unrealized gain or loss on investments which will be reflected in EFC's results of operations each year.

State Assistance Payments Revenue and Expense are pass through monies which are provided from the federal and State governments. These funds are used to provide eligible recipients with financial assistance (grants) under the CVAP, REDI, WIIA/IMG, GRG, and Septic grant programs. Revenue is recognized when grant disbursements are made rather than when grant monies are received by EFC, resulting in any amounts included in the plan having a neutral impact to EFC's change in net position.

EFC is not subject to any collective bargaining agreements. However, it provides salary increases and other benefits generally consistent with other New York State Management/Confidential employees and other unrepresented employees in the Executive Branch.

Personal service costs reflect an anticipated 3% cost of living adjustment, as well as payment of performance advances and longevity payments to eligible staff effective April 1, 2025. Future plan years use a cost increase assumption of 3% to account for cost-of-living adjustments. Performance advances are projected based on the tenure of an employee and the remaining increases available within the salary range assigned to their job title.

Fringe benefits reflect inflationary increases on medical costs for health insurance (provided by EFC's GASB 75 actuarial valuation), as well as estimates provided by the New York State Retirement System for pension contributions.

For items not specifically budgeted, an annual expense increase of 3% is projected.

EFC's current and projected staffing levels are shown below. All vacancies are projected to be filled beyond SFY 2024-25.

NYS Environmental Facilities Corporation
Projected Number of Employees (filled positions)
 As of the payroll period ending November 20, 2024

<u>Funding Source</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>Status</u>
Corporate Activities	19	23	23	23	23	Full Time
Clean Water SRF	76	81	81	81	81	Full Time
Drinking Water SRF	16	18	18	18	18	Full Time
Total EFC	111	122	122	122	122	

Budgetary Risks

EFC's budgeting process is subject to inherent risks regarding the ability to accurately forecast revenues and expenditures, as a significant portion of EFC's budget is contingent on the receipt of federal CWSRF and DWSRF capitalization grants. Funding from the federal government had been stable for several years; however, since the implementation of BIL, funds from the annual SRF appropriation have been reduced by congressional earmarks. A significant financial risk to the SRFs exists if earmarks continue once BIL funds are no longer available.

Over the past several years, EFC has assumed responsibility for administering certain new programs. Additional program responsibilities may be added during this cycle that have not been included in this Budget and Financial Plan.

It is critical that EFC divisions are accurate in their assessment of program projections. For example, division directors work with Human Resources to identify staffing needs, and Contracts and Budget staff analyze budgetary impacts so that necessary actions to minimize expenditures may be anticipated and executed, as appropriate.

To minimize risk, expenditures are closely monitored monthly. Quarterly financial statements are distributed to Executive Staff and the Board of Directors. A mid-year update presentation is provided to the audit committee at its December meeting. In addition, financial and single audits are performed annually by an independent accounting firm.

NYS Environmental Facilities Corporation
Revised Forecast of Fiscal Year 2024-25 Budget
 Projected Revenues and Expenses
 (Dollars)

	<u>Corporate Activities</u>	<u>CWSRF Administration</u>	<u>CWSRF Program</u>	<u>DWSRF Administration</u>	<u>DWSRF Program</u>	<u>Total</u>
Revenues						
Bond financing fees	-	1,027,000	-	4,187,000	-	5,214,000
Administrative fees	64,000	16,309,000	-	1,771,000	-	18,144,000
Less DEC support	-	(4,300,000)	-	-	-	(4,300,000)
Administrative grant revenues	67,000	12,000,000	-	2,354,400	-	14,421,400
Interest income on investments	5,274,300	9,325,000	137,154,000	2,042,000	25,857,000	179,652,300
Unrealized gain (loss) on investments	-	-	-	-	-	-
Interest income on bonds	-	-	166,152,000	-	50,225,000	216,377,000
Interest income on direct financings	-	-	8,783,000	-	1,739,000	10,522,000
SRF indirect cost recoveries	4,403,000	(3,613,000)	-	(790,000)	-	-
State assistance payments revenue	10,725,000	105,400,000	-	126,985,000	-	243,110,000
Other revenues	88,000	125,000	-	20,000	-	233,000
Total revenues	20,621,300	136,273,000	312,089,000	136,569,400	77,821,000	683,373,700
Expenses						
Interest subsidy provided	-	-	42,359,000	-	3,443,000	45,802,000
Interest expense on bonds payable	-	-	165,105,000	-	49,582,000	214,687,000
State assistance payments expense	10,725,000	105,400,000	-	126,985,000	-	243,110,000
Grants disbursed/Principal forgiveness	-	3,189,000	86,776,000	-	12,308,000	102,273,000
Personal service costs	2,585,000	7,281,000	-	1,505,000	-	11,371,000
Fringe benefits	1,078,000	3,216,000	-	670,000	-	4,964,000
Other postemployment benefits	151,000	603,000	-	124,200	-	878,200
Supplies and materials	2,200	8,200	-	1,800	-	12,200
Travel	14,900	12,200	-	3,800	-	30,900
Equipment purchases and maintenance	222,900	433,200	-	93,400	-	749,500
Rent	93,500	-	-	-	-	93,500
Consultants	33,400	205,500	-	50,100	-	289,000
Postage	1,000	4,100	-	800	-	5,900
Printing	400	2,100	-	500	-	3,000
Board expenses	1,000	-	-	-	-	1,000
Training and conferences	17,100	10,500	-	2,700	-	30,300
Telecommunications	24,700	89,500	-	19,400	-	133,600
Miscellaneous	17,200	79,400	-	16,100	-	112,700
Insurance	6,300	21,800	-	5,000	-	33,100
Books and journals	12,100	24,400	-	6,000	-	42,500
Trustee	-	80,700	-	133,400	-	214,100
Reimbursable contractual	10,000	-	-	-	-	10,000
SRF admin expense fee account	-	1,850,000	-	391,000	-	2,241,000
NYS cost recovery fee	1,113,646	-	-	-	-	1,113,646
Total expenses	16,109,346	122,510,600	294,240,000	130,008,200	65,333,000	628,201,146
Increase (decrease)	4,511,954	13,762,400	17,849,000	6,561,200	12,488,000	55,172,554
Project grant revenues	-	-	544,771,000	-	220,003,000	764,774,000
Increase (decrease) in net position	4,511,954	13,762,400	562,620,000	6,561,200	232,491,000	819,946,554

NYS Environmental Facilities Corporation
Fiscal Year 2024-25 Budget Reconciliation

Summary
(Dollars)

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Revised Budget</u>
<u>Revenues</u>			
Bond financing fees	1,236,000	3,978,000	5,214,000
Administrative fees	18,417,000	(273,000)	18,144,000
Less DEC support	(3,500,000)	(800,000)	(4,300,000)
Administrative grant revenues	5,370,000	9,051,400	14,421,400
Less transferred to DEC	(876,000)	876,000	-
Interest income on investments	113,436,523	66,215,777	179,652,300
Unrealized gain (loss) on investments	-	-	-
Interest income on bonds	226,224,000	(9,847,000)	216,377,000
Interest income on direct financings	8,528,000	1,994,000	10,522,000
State assistance payments revenue	215,680,000	27,430,000	243,110,000
Other revenues	400,669	(167,669)	233,000
Total revenues	584,916,193	98,457,507	683,373,700
<u>Expenses</u>			
Interest subsidy provided	51,646,000	(5,844,000)	45,802,000
Interest expense on bonds payable	226,744,000	(12,057,000)	214,687,000
State assistance payments expense	215,680,000	27,430,000	243,110,000
Grants disbursed/Principal forgiveness	249,765,000	(147,492,000)	102,273,000
Personal service costs	11,394,000	(23,000)	11,371,000
Fringe benefits	4,628,000	336,000	4,964,000
Other postemployment benefits	1,633,500	(755,300)	878,200
Supplies and materials	20,900	(8,700)	12,200
Travel	16,100	14,800	30,900
Equipment purchases and maintenance	358,200	391,300	749,500
Rent	-	93,500	93,500
Consultants	237,900	51,100	289,000
Postage	800	5,100	5,900
Printing	5,700	(2,700)	3,000
Board expenses	1,000	-	1,000
Training and conferences	24,400	5,900	30,300
Telecommunications	105,700	27,900	133,600
Miscellaneous	601,800	(489,100)	112,700
Insurance	27,600	5,500	33,100
Books and journals	33,000	9,500	42,500
Trustee	213,000	1,100	214,100
Reimbursable contractual	-	10,000	10,000
SRF admin expense fee account	2,000,000	241,000	2,241,000
NYS cost recovery fee	600,000	513,646	1,113,646
Total expenses	765,736,600	(137,535,454)	628,201,146
Increase (decrease)	(180,820,407)	235,992,961	55,172,554
Project grant revenues	425,823,000	338,951,000	764,774,000
Increase (decrease) in net position	<u>245,002,593</u>	<u>574,943,961</u>	<u>819,946,554</u>

NYS Environmental Facilities Corporation
Fiscal Year 2023-24 Actual vs Budgeted
 Summary
 (Dollars)

	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
<u>Revenues</u>			
Bond financing fees	2,385,000	2,389,302	4,302
Administrative fees	18,533,000	18,081,230	(451,770)
Less DEC support	(3,500,000)	(2,500,000)	1,000,000
Administrative grant revenues	4,859,000	7,292,564	2,433,564
Less transferred to DEC	(850,000)	(812,671)	37,329
Interest income on investments	145,531,400	149,172,246	3,640,846
Unrealized gain (loss) on investments	-	(9,821,377)	(9,821,377)
Interest income on bonds	236,665,000	229,031,643	(7,633,357)
Interest income on direct financings	9,090,000	10,269,708	1,179,708
State assistance payments revenue	247,027,000	246,738,762	(288,238)
Other revenues	195,000	8,574	(186,426)
Total revenues	<u>659,935,400</u>	<u>649,849,981</u>	<u>(10,085,419)</u>
<u>Expenses</u>			
Interest subsidy provided	51,505,000	41,881,458	(9,623,542)
Interest expense on bonds payable	235,745,000	233,046,795	(2,698,205)
State assistance payments expense	247,027,000	246,738,762	(288,238)
Grants disbursed/Principal forgiveness	43,084,000	33,522,077	(9,561,923)
Personal service costs	10,555,000	10,606,274	51,274
Fringe benefits	4,323,000	4,735,142	412,142
Other postemployment benefits	1,572,000	(583,711)	(2,155,711)
Supplies and materials	17,400	16,041	(1,359)
Travel	20,300	29,381	9,081
Equipment purchases and maintenance	523,400	537,180	13,780
Rent	-	37,383	37,383
Consultants	223,300	256,347	33,047
Postage	1,000	6,270	5,270
Printing	5,600	2,449	(3,151)
Board expenses	1,300	1,374	74
Training and conferences	21,900	39,231	17,331
Telecommunications	119,800	114,062	(5,738)
Miscellaneous	369,100	178,996	(190,104)
Insurance	24,300	26,895	2,595
Books and journals	37,300	40,749	3,449
Trustee	223,200	204,950	(18,250)
Reimbursable contractual	5,900	10,874	4,974
SRF admin expense fee account	2,550,000	1,354,072	(1,195,928)
NYS cost recovery fee	600,000	-	(600,000)
Total expenses	<u>598,554,800</u>	<u>572,803,048</u>	<u>(25,751,752)</u>
Increase	61,380,600	77,046,933	15,666,333
Project grant revenues	742,329,000	674,738,326	(67,590,674)
Increase (decrease) in net position	<u>803,709,600</u>	<u>751,785,259</u>	<u>(51,924,341)</u>

NYS Environmental Facilities Corporation
Fiscal Year 2025-26 Budget
 Projected Revenues and Expenses
 (Dollars)

	<u>Corporate Activities</u>	<u>CWSRF Administration</u>	<u>CWSRF Program</u>	<u>DWSRF Administration</u>	<u>DWSRF Program</u>	<u>Total</u>
Revenues						
Bond financing fees	-	67,000	-	1,925,000	-	1,992,000
Administrative fees	78,000	17,039,000	-	1,868,000	-	18,985,000
Less DEC support	-	(4,300,000)	-	-	-	(4,300,000)
Administrative grant revenues	70,000	6,000,000	-	1,490,600	-	7,560,600
Interest income on investments	3,625,200	5,983,300	101,002,000	2,262,900	18,053,000	130,926,400
Unrealized gain (loss) on investments	-	-	-	-	-	-
Interest income on bonds	-	-	163,067,000	-	47,177,000	210,244,000
Interest income on direct financings	-	-	8,210,000	-	1,455,000	9,665,000
SRF indirect cost recoveries	5,286,000	(4,373,000)	-	(913,000)	-	-
State assistance payments revenue	7,680,000	100,000,000	-	100,000,000	-	207,680,000
Other revenues	80,000	125,000	-	20,000	-	225,000
Total revenues	16,819,200	120,541,300	272,279,000	106,653,500	66,685,000	582,978,000
Expenses						
Interest subsidy provided	-	-	42,574,000	-	2,517,000	45,091,000
Interest expense on bonds payable	-	-	154,011,000	-	43,562,000	197,573,000
State assistance payments expense	7,680,000	100,000,000	-	100,000,000	-	207,680,000
Grants disbursed/Principal forgiveness	-	4,000,000	119,000,000	-	55,000,000	178,000,000
Personal service costs	2,831,000	8,152,000	-	1,711,000	-	12,694,000
Fringe benefits	1,280,000	3,687,000	-	813,000	-	5,780,000
Other postemployment benefits	176,900	624,000	-	139,700	-	940,600
Supplies and materials	3,200	11,200	-	2,500	-	16,900
Travel	15,500	6,400	-	4,600	-	26,500
Equipment purchases and maintenance	157,100	554,100	-	124,100	-	835,300
Rent	95,800	227,850	-	-	-	323,650
Consultants	22,300	168,900	-	47,700	-	238,900
Postage	1,300	4,500	-	1,000	-	6,800
Printing	500	1,700	-	400	-	2,600
Board expenses	1,000	-	-	-	-	1,000
Training and conferences	31,400	15,700	-	5,200	-	52,300
Telecommunications	26,900	94,900	-	21,200	-	143,000
Miscellaneous	36,100	127,200	-	28,500	-	191,800
Insurance	5,400	19,100	-	4,300	-	28,800
Books and journals	11,700	24,800	-	6,400	-	42,900
Trustee	-	78,000	-	127,000	-	205,000
SRF admin expense fee account	-	1,500,000	-	500,000	-	2,000,000
NYS cost recovery fee	600,000	-	-	-	-	600,000
Total expenses	12,976,100	119,297,350	315,585,000	103,536,600	101,079,000	652,474,050
Increase (decrease)	3,843,100	1,243,950	(43,306,000)	3,116,900	(34,394,000)	(69,496,050)
Project grant revenues	-	-	401,438,000	-	220,352,680	621,790,680
Increase (decrease) in net position	3,843,100	1,243,950	358,132,000	3,116,900	185,958,680	552,294,630

NYS Environmental Facilities Corporation
Actual and Projected Results
Fiscal Years 2023-24 through 2028-29
(Dollars)

Corporate Activities

	Actual <u>2023-24</u>	Revised Budget <u>2024-25</u>	Budget <u>2025-26</u>	Plan <u>2026-27</u>	Plan <u>2027-28</u>	Plan <u>2028-29</u>
<u>Revenues</u>						
Administrative fees	90,750	64,000	78,000	78,000	78,000	78,000
Administrative grant revenues	53,124	67,000	70,000	70,000	70,000	70,000
Interest income on investments	6,562,861	5,274,300	3,625,200	2,718,900	2,718,900	2,718,900
SRF indirect cost recoveries	2,127,976	4,403,000	5,286,000	4,880,480	4,504,000	4,401,000
State assistance payments revenue	24,435,830	10,725,000	7,680,000	680,000	680,000	680,000
Other revenues	8,574	88,000	80,000	30,000	30,000	30,000
Total revenues	33,279,116	20,621,300	16,819,200	8,457,380	8,080,900	7,977,900
<u>Expenses</u>						
State assistance payments expense	24,435,830	10,725,000	7,680,000	680,000	680,000	680,000
Personal service costs	2,431,283	2,585,000	2,831,000	2,970,000	3,100,000	3,225,000
Fringe benefits	889,278	1,078,000	1,280,000	1,343,000	1,402,000	1,459,000
Other postemployment benefits	(133,812)	151,000	176,900	182,200	187,700	193,300
Supplies and materials	2,542	2,200	3,200	3,300	3,400	3,500
Travel	8,809	14,900	15,500	16,000	16,500	17,000
Equipment purchases and maintenance	91,393	222,900	157,100	161,800	166,700	171,700
Rent	37,383	93,500	95,800	95,800	95,760	95,760
Consultants	28,055	33,400	22,300	23,000	23,700	24,400
Postage	1,057	1,000	1,300	1,300	1,300	1,300
Printing	780	400	500	500	500	500
Board expenses	1,374	1,000	1,000	1,000	1,000	1,000
Training and conferences	17,573	17,100	31,400	32,300	33,300	34,300
Telecommunications	19,391	24,700	26,900	27,700	28,500	29,400
Miscellaneous	135,285	17,200	36,100	37,200	38,300	39,400
Insurance	6,184	6,300	5,400	5,600	5,800	6,000
Books and journals	11,134	12,100	11,700	12,100	12,500	12,900
Reimbursable contractual	10,874	10,000	-	-	-	-
NYS cost recovery fee	-	1,113,646	600,000	600,000	600,000	600,000
Total expenses	27,994,413	16,109,346	12,976,100	6,192,800	6,396,960	6,594,460
Increase (decrease) in net position	5,284,703	4,511,954	3,843,100	2,264,580	1,683,940	1,383,440
Net Position	15,153,531	19,665,485	23,508,585	25,773,165	27,457,105	28,840,545

NYS Environmental Facilities Corporation
Actual and Projected Results
Fiscal Years 2023-24 through 2028-29
(Dollars)

Clean Water SRF Administration

	Actual <u>2023-24</u>	Revised Budget <u>2024-25</u>	Budget <u>2025-26</u>	Plan <u>2026-27</u>	Plan <u>2027-28</u>	Plan <u>2028-29</u>
Revenues						
Bond financing fees	842,432	1,027,000	67,000	126,000	289,000	101,000
Administrative fees	16,336,140	16,309,000	17,039,000	16,906,000	16,763,000	16,611,000
Less DEC support	(2,500,000)	(4,300,000)	(4,300,000)	(4,300,000)	(4,300,000)	(4,300,000)
Administrative grant revenues	5,300,000	12,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Less transferred to DEC	(812,671)	-	-	-	-	-
Interest income on investments	5,727,758	9,325,000	5,983,300	5,810,800	5,810,800	5,810,800
SRF indirect cost recoveries	(1,743,434)	(3,613,000)	(4,373,000)	(4,073,000)	(3,559,000)	(3,423,000)
Other revenues	-	125,000	125,000	-	-	-
State assistance payments revenue	102,550,355	105,400,000	100,000,000	100,000,000	100,000,000	100,000,000
Total revenues	125,700,579	136,273,000	120,541,300	120,469,800	121,003,800	120,799,800
Expenses						
State assistance payments expense	102,550,355	105,400,000	100,000,000	100,000,000	100,000,000	100,000,000
Grants disbursed/Principal forgiveness	2,839,107	3,189,000	4,000,000	4,000,000	4,000,000	4,000,000
Personal service costs	6,681,503	7,281,000	8,152,000	8,569,000	8,972,000	9,370,000
Fringe benefits	3,088,960	3,216,000	3,687,000	3,876,000	4,058,000	4,238,000
Other postemployment benefits	(367,707)	603,000	624,000	655,000	688,000	722,000
Supplies and materials	10,957	8,200	11,200	12,000	12,000	12,000
Travel	16,669	12,200	6,400	6,600	6,800	7,000
Equipment purchases and maintenance	354,514	433,200	554,100	571,000	588,000	606,000
Rent	-	-	227,850	337,680	337,680	337,680
Consultants	170,948	205,500	168,900	188,300	187,700	193,600
Postage	4,129	4,100	4,500	5,000	5,000	5,000
Printing	1,406	2,100	1,700	2,000	2,000	2,000
Training and conferences	18,490	10,500	15,700	16,000	16,000	16,000
Telecommunications	75,281	89,500	94,900	98,000	101,000	104,000
Miscellaneous	32,785	79,400	127,200	131,000	135,000	139,000
Insurance	16,469	21,800	19,100	20,000	21,000	22,000
Books and journals	23,549	24,400	24,800	26,000	27,000	28,000
Trustee	77,765	80,700	78,000	80,000	82,000	84,000
SRF admin expense fee account	1,000,000	1,850,000	1,500,000	1,500,000	-	-
Total expenses	116,595,178	122,510,600	119,297,350	120,093,580	119,239,180	119,886,280
Increase (decrease) in net position	9,105,401	13,762,400	1,243,950	376,220	1,764,620	913,520
Net Position	92,329,406	106,091,806	107,335,755	107,711,975	109,476,595	110,390,115

Clean Water SRF Program

	Actual <u>2023-24</u>	Revised Budget <u>2024-25</u>	Budget <u>2025-26</u>	Plan <u>2026-27</u>	Plan <u>2027-28</u>	Plan <u>2028-29</u>
Revenues						
Interest income on investments	114,068,998	137,154,000	101,002,000	83,313,000	79,401,000	75,640,000
Unrealized gain (loss) on investments	(8,261,137)	-	-	-	-	-
Interest income on bonds	177,208,185.00	166,152,000	163,067,000	167,123,000	171,924,000	175,907,000
Interest income on direct financings	8,853,381.00	8,783,000	8,210,000	7,985,000	7,767,000	7,546,000
Total revenues	291,869,427	312,089,000	272,279,000	258,421,000	259,092,000	259,093,000
Expenses						
Interest subsidy provided	38,805,675	42,359,000	42,574,000	43,538,000	44,353,000	44,324,000
Interest expense on bonds payable	181,544,832	165,105,000	154,011,000	159,958,000	164,203,000	169,183,000
Grants disbursed/Principal forgiveness	23,139,122	86,776,000	119,000,000	150,200,000	190,760,000	225,912,000
Total expenses	243,489,629	294,240,000	315,585,000	353,696,000	399,316,000	439,419,000
Increase (decrease)	48,379,798	17,849,000	(43,306,000)	(95,275,000)	(140,224,000)	(180,326,000)
Project grant revenues	568,966,806	544,771,000	401,438,000	407,367,000	60,000,000	60,000,000
Increase (decrease) in net position	617,346,604	562,620,000	358,132,000	312,092,000	(80,224,000)	(120,326,000)
Net Position	6,797,249,418	7,359,869,418	7,718,001,418	8,030,093,418	7,949,869,418	7,829,543,418

NYS Environmental Facilities Corporation
Actual and Projected Results
Fiscal Years 2023-24 through 2028-29
(Dollars)

Drinking Water SRF Administration

	<u>Actual</u> 2023-24	<u>Revised Budget</u> 2024-25	<u>Budget</u> 2025-26	<u>Plan</u> 2026-27	<u>Plan</u> 2027-28	<u>Plan</u> 2028-29
Revenues						
Bond financing fees	1,546,871	4,187,000	1,925,000	1,984,000	2,022,000	1,977,000
Administrative fees	1,654,340	1,771,000	1,868,000	1,805,000	1,743,000	1,679,000
Administrative grant revenues	1,939,440	2,354,400	1,490,600	800,000	800,000	800,000
Interest income on investments	1,715,920	2,042,000	2,262,900	2,130,800	2,130,800	2,130,800
SRF indirect cost recoveries	(384,542)	(790,000)	(913,000)	(807,480)	(945,000)	(978,000)
Other revenues	-	20,000	20,000	-	-	-
State assistance payments revenue	119,752,577	126,985,000	100,000,000	100,000,000	100,000,000	100,000,000
Total revenues	126,224,606	136,569,400	106,653,500	105,912,320	105,750,800	105,608,800
Expenses						
State assistance payments expense	119,752,577	126,985,000	100,000,000	100,000,000	100,000,000	100,000,000
Personal service costs	1,493,488	1,505,000	1,711,000	1,798,000	1,883,000	1,961,000
Fringe benefits	756,904	670,000	813,000	854,000	897,000	942,000
Other postemployment benefits	(82,192)	124,200	139,700	147,000	154,000	162,000
Supplies and materials	2,542	1,800	2,500	2,600	2,700	2,800
Travel	3,903	3,800	4,600	4,700	4,800	4,900
Equipment purchases and maintenance	91,272	93,400	124,100	127,800	131,600	135,500
Rent	-	-	-	-	51,033	75,600
Consultants	57,344	50,100	47,700	52,000	51,900	53,200
Postage	1,083	800	1,000	1,000	1,000	1,000
Printing	263	500	400	400	400	400
Training and conferences	3,168	2,700	5,200	5,400	5,600	5,800
Telecommunications	19,391	19,400	21,200	21,800	22,500	23,200
Miscellaneous	10,927	16,100	28,500	29,400	30,300	31,200
Insurance	4,242	5,000	4,300	4,400	4,500	4,600
Books and journals	6,066	6,000	6,400	6,600	6,800	7,000
Trustee	127,185	133,400	127,000	130,800	134,700	138,700
SRF admin expense fee account	354,072	391,000	500,000	500,000	500,000	500,000
Total expenses	122,602,234	130,008,200	103,536,600	103,685,900	103,881,833	104,048,900
Increase (decrease) in net position	3,622,372	6,561,200	3,116,900	2,226,420	1,868,967	1,559,900
Net Position	30,443,503	37,004,703	40,121,603	42,348,023	44,216,990	45,776,890

Drinking Water SRF Program

	<u>Actual</u> 2023-24	<u>Revised Budget</u> 2024-25	<u>Budget</u> 2025-26	<u>Plan</u> 2026-27	<u>Plan</u> 2027-28	<u>Plan</u> 2028-29
Revenues						
Interest income on investments	21,096,708	25,857,000	18,053,000	15,136,000	14,822,000	14,699,000
Unrealized gain (loss) on investments	(1,560,240)	-	-	-	-	-
Interest income on bonds	51,823,458	50,225,000	47,177,000	53,559,000	68,020,000	73,558,000
Interest income on direct financings	1,416,327	1,739,000	1,455,000	1,459,000	1,473,000	1,494,000
Total revenues	72,776,253	77,821,000	66,685,000	70,154,000	84,315,000	89,751,000
Expenses						
Interest subsidy provided	3,075,783	3,443,000	2,517,000	3,825,000	6,798,000	7,950,000
Interest expense on bonds payable	51,501,963	49,582,000	43,562,000	49,941,000	64,631,000	70,229,000
Grants disbursed/Principal forgiveness	7,543,848	12,308,000	55,000,000	94,000,000	184,000,000	184,000,000
Total expenses	62,121,594	65,333,000	101,079,000	147,766,000	255,429,000	262,179,000
Increase (decrease)	10,654,659	12,488,000	(34,394,000)	(77,612,000)	(171,114,000)	(172,428,000)
Project grant revenues	105,771,520	220,003,000	220,352,680	255,852,680	172,746,280	172,746,280
Increase (decrease) in net position	116,426,179	232,491,000	185,958,680	178,240,680	1,632,280	318,280
Net Position	1,530,400,822	1,762,891,822	1,948,850,502	2,127,091,182	2,128,723,462	2,129,041,742

NYS Environmental Facilities Corporation
Actual and Projected Results
Fiscal Years 2023-24 through 2028-29
(Dollars)

EFC Total Administration & Programs

	<u>Actual</u> 2023-24	<u>Revised Budget</u> 2024-25	<u>Budget</u> 2025-26	<u>Plan</u> 2026-27	<u>Plan</u> 2027-28	<u>Plan</u> 2028-29
Revenues						
Bond financing fees	2,389,302	5,214,000	1,992,000	2,110,000	2,311,000	2,078,000
Administrative fees	18,081,230	18,144,000	18,985,000	18,789,000	18,584,000	18,368,000
Less DEC support	(2,500,000)	(4,300,000)	(4,300,000)	(4,300,000)	(4,300,000)	(4,300,000)
Administrative grant revenues	7,292,564	14,421,400	7,560,600	6,870,000	6,870,000	6,870,000
Less transferred to DEC	(812,671)	-	-	-	-	-
Interest income on investments	149,172,246	179,652,300	130,926,400	109,109,500	104,883,500	100,999,500
Unrealized gain (loss) on investments	(9,821,377)	-	-	-	-	-
Interest income on bonds	229,031,643	216,377,000	210,244,000	220,682,000	239,944,000	249,465,000
Interest income on direct financings	10,269,708	10,522,000	9,665,000	9,444,000	9,240,000	9,040,000
State assistance payments revenue	246,738,762	243,110,000	207,680,000	200,680,000	200,680,000	200,680,000
Other revenues	8,574	233,000	225,000	30,000	30,000	30,000
Total revenues	649,849,981	683,373,700	582,978,000	563,414,500	578,242,500	583,230,500
Expenses						
Interest subsidy provided	41,881,458	45,802,000	45,091,000	47,363,000	51,151,000	52,274,000
Interest expense on bonds payable	233,046,795	214,687,000	197,573,000	209,899,000	228,834,000	239,412,000
State assistance payments expense	246,738,762	243,110,000	207,680,000	200,680,000	200,680,000	200,680,000
Grants disbursed/Principal forgiveness	33,522,077	102,273,000	178,000,000	248,200,000	378,760,000	413,912,000
Personal service costs	10,606,274	11,371,000	12,694,000	13,337,000	13,955,000	14,556,000
Fringe benefits	4,735,142	4,964,000	5,780,000	6,073,000	6,357,000	6,639,000
Other postemployment benefits	(583,711)	878,200	940,600	984,200	1,029,700	1,077,300
Supplies and materials	16,041	12,200	16,900	17,900	18,100	18,300
Travel	29,381	30,900	26,500	27,300	28,100	28,900
Equipment purchases and maintenance	537,180	749,500	835,300	860,600	886,300	913,200
Rent	37,383	93,500	323,650	433,480	484,473	509,040
Consultants	256,347	289,000	238,900	263,300	263,300	271,200
Postage	6,270	5,900	6,800	7,300	7,300	7,300
Printing	2,449	3,000	2,600	2,900	2,900	2,900
Board expenses	1,374	1,000	1,000	1,000	1,000	1,000
Training and conferences	39,231	30,300	52,300	53,700	54,900	56,100
Telecommunications	114,062	133,600	143,000	147,500	152,000	156,600
Miscellaneous	178,996	112,700	191,800	197,600	203,600	209,600
Insurance	26,895	33,100	28,800	30,000	31,300	32,600
Books and journals	40,749	42,500	42,900	44,700	46,300	47,900
Trustee	204,950	214,100	205,000	210,800	216,700	222,700
Reimbursable contractual	10,874	10,000	-	-	-	-
SRF admin expense fee account	1,354,072	2,241,000	2,000,000	2,000,000	500,000	500,000
NYS cost recovery fee	-	1,113,646	600,000	600,000	600,000	600,000
Total expenses	572,803,048	628,201,146	652,474,050	731,434,280	884,262,973	932,127,640
Increase (decrease)	77,046,933	55,172,554	(69,496,050)	(168,019,780)	(306,020,473)	(348,897,140)
Project grant revenues	674,738,326	764,774,000	621,790,680	663,219,680	232,746,280	232,746,280
Increase (decrease) in net position	751,785,259	819,946,554	552,294,630	495,199,900	(73,274,193)	(116,150,860)
Net Position	8,465,576,679	9,285,523,233	9,837,817,863	10,333,017,763	10,259,743,570	10,143,592,710

NYS Environmental Facilities Corporation
Projected SRF Debt Outstanding
(Dollars)

<u>Clean Water SRF</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>
Beginning Debt Outstanding	4,339,183,000	4,452,758,000	4,483,818,000	4,497,758,000	4,516,883,000
New Issues	371,130,000	300,000,000	300,000,000	300,000,000	300,000,000
Principal Payments	257,555,000	268,940,000	286,060,000	280,875,000	278,450,000
Ending Debt Outstanding	<u>4,452,758,000</u>	<u>4,483,818,000</u>	<u>4,497,758,000</u>	<u>4,516,883,000</u>	<u>4,538,433,000</u>

<u>Drinking Water SRF</u>					
Beginning Debt Outstanding	1,069,960,000	1,279,890,000	1,388,740,000	1,491,680,000	1,587,245,000
New Issues	264,580,000	175,000,000	175,000,000	175,000,000	175,000,000
Principal Payments	54,650,000	66,150,000	72,060,000	79,435,000	83,385,000
Ending Debt Outstanding	<u>1,279,890,000</u>	<u>1,388,740,000</u>	<u>1,491,680,000</u>	<u>1,587,245,000</u>	<u>1,678,860,000</u>

<u>Totals</u>					
Beginning Debt Outstanding	5,409,143,000	5,732,648,000	5,872,558,000	5,989,438,000	6,104,128,000
New Issues	635,710,000	475,000,000	475,000,000	475,000,000	475,000,000
Principal Payments	312,205,000	335,090,000	358,120,000	360,310,000	361,835,000
Ending Debt Outstanding	<u>5,732,648,000</u>	<u>5,872,558,000</u>	<u>5,989,438,000</u>	<u>6,104,128,000</u>	<u>6,217,293,000</u>

NYS Environmental Facilities Corporation
Projected SRF Debt Service Payments
(Dollars)

<u>Clean Water SRF</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>
Principal Payments on Debt Outstanding	256,015,000	257,400,000	264,565,000	249,330,000	236,850,000
Principal Payments on Projected Debt	1,540,000	11,540,000	21,495,000	31,545,000	41,600,000
Total Principal Payments	257,555,000	268,940,000	286,060,000	280,875,000	278,450,000
Interest Payments on Debt Outstanding	163,751,000	135,960,000	127,732,000	118,302,000	110,110,000
Interest Payments on Projected Debt	1,354,000	18,051,000	32,226,000	45,901,000	59,073,000
Total Interest Payments	165,105,000	154,011,000	159,958,000	164,203,000	169,183,000
Total Debt Service Payments	422,660,000	422,951,000	446,018,000	445,078,000	447,633,000
<u>Drinking Water SRF</u>					
Principal Payments on Debt Outstanding	54,145,000	59,980,000	60,090,000	61,665,000	59,815,000
Principal Payments on Projected Debt	505,000	6,170,000	11,970,000	17,770,000	23,570,000
Total Principal Payments	54,650,000	66,150,000	72,060,000	79,435,000	83,385,000
Interest Payments on Debt Outstanding	49,209,000	42,657,000	40,449,000	38,238,000	36,120,000
Interest Payments on Projected Debt	373,000	905,000	9,492,000	26,393,000	34,109,000
Total Interest Payments	49,582,000	43,562,000	49,941,000	64,631,000	70,229,000
Total Debt Service Payments	104,232,000	109,712,000	122,001,000	144,066,000	153,614,000
<u>Totals</u>					
Principal Payments on Debt Outstanding	310,160,000	317,380,000	324,655,000	310,995,000	296,665,000
Principal Payments on Projected Debt	2,045,000	17,710,000	33,465,000	49,315,000	65,170,000
Total Principal Payments	312,205,000	335,090,000	358,120,000	360,310,000	361,835,000
Interest Payments on Debt Outstanding	212,960,000	178,617,000	168,181,000	156,540,000	146,230,000
Interest Payments on Projected Debt	1,727,000	18,956,000	41,718,000	72,294,000	93,182,000
Total Interest Payments	214,687,000	197,573,000	209,899,000	228,834,000	239,412,000
Total Debt Service Payments	526,892,000	532,663,000	568,019,000	589,144,000	601,247,000

Notes Relating to Debt

EFC has issued bonds and entered into agreements with private sector companies to provide funds under the Industrial Finance Program for certain environmental projects. Bonds issued on behalf of these private sector companies are not included in the preceding charts of projected SRF debt outstanding or projected SRF debt service payments.

EFC issues special obligation bonds under the SRF programs to provide financial assistance to eligible recipients. CWSRF assistance is available for projects that reduce, eliminate, or prevent water pollution and DWSRF assistance is available for water system projects that provide safe, affordable drinking water. The financial assistance is provided pursuant to a project finance agreement between EFC and each recipient in which the Corporation agrees to purchase, and the recipient agrees to sell its bonds in the principal amount of its financing to EFC. The recipient payments on these bonds serve as the primary security for EFC's bonds. Additionally, if available, SRF program debt service reserve funds provide a reserve to secure certain outstanding bonds. The principal and interest payments on the recipient financings are structured to be sufficient to pay the full principal and interest payments on EFC's bonds. EFC's bonds are issued subject to the terms of a Master Trust Agreement, a Financing Indenture, and a Supplemental Financing Indenture that is executed for each bond issue. The bonds of each series are not general obligations of EFC. Bonds are payable solely from payments made by each recipient to the trustee and any other pledged funds held by the trustee. EFC bonds are not subject to legal debt limits.

Other Items

Revised estimates to EFC's current SFY 2024 – 25 Budget as presented in the Budget Reconciliation on page 6 indicate that EFC expects to increase the amount of its revenues, decrease the amount of its expenses, and increase the amount of its project grant revenues that it will recognize in its current fiscal year. These revisions are expected to increase EFC's overall net position from its original budget estimates.


The primary cause is assumption changes regarding the timing of BIL Capitalization grants. As more information becomes available and projects begin to develop, estimates will change year over year, however the total amount of BIL funding remains consistent. As BIL funding is implemented further timing differences are likely. In SFY 2024-25 EFC expects an increase in project grant revenues and a decrease in additional subsidization from original estimates. Additionally, an increase in cash on hand from project grant revenues, along with higher than projected interest rates, has led to an upward revision in interest income.

Certification

I hereby certify that, to the best of my knowledge and belief after reasonable inquiry, the budget and financial plan information contained herein has been developed based on reasonable assumptions and methods of estimation.



Maureen A. Coleman
President and CEO



Emily A. Jamieson
Chief Financial Officer



Albert B. Schnide
Controller